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BETTER RELATIONS WITH U.S. SEEN POSSIBLE

Madras THE HINDU in English 5 Feb 82 p 9

[Article by G.K. Reddy]

[Text] New Delhi, Feb 4. An interesting feature of the present Indo-American relationship is that neither side is making the next move for terminating the Tarapur agreement, which seemed imminent after the last round of discussions.

It was deliberately kept open to make one final attempt to find a way out during the visit of the U.S. Secretary of State, Mr Alexander Haig, in December for the ministerial meeting of the joint commission.

But the visit was cancelled at the last moment, a few days before he was due to arrive in Delhi, because of the developments in Poland which required Gen. Haig's immediate presence in Washington.

As part of the mutual desire for a better understanding at least in spheres where there are no serious differences, the two Governments are now waiting for a more opportune moment to end the Tarapur agreement without the stigma of unilateral termination by either side. But they continue to differ sharply on how best to give a decent burial consistent with the positions taken by them during the protracted discussions.

The Government of India has been given to understand, by some well meaning American politicians, diplomats and business executives, that the Reagan administration was no longer so dogmatic and self-opinionated as it was during the first flush of its reassertion of U.S. global responsibilities soon after assuming office. It is now inclined to take the view that it should be possible to establish a reasonably good working relationship in areas not involving any direct conflicts of interest.

In a sense the Tarapur stalemate has thus become a symbol of mutual disinclination to take any precipitate step to break the agreement, despite the fact that neither side is prepared to budge from the apparently irreconcilable positions already taken by them. It is being kept in a state of suspended animation for the present in the hope that perhaps the rethinking that has been going on in the U.S. might still open up the possibility of an agreed termination.

The issue was raised by some members at the meeting of the Informal Consultative Committee, but the Minister for External Affairs, Mr P.V. Narasimha Rao, declined to be drawn into a discussion. His reticence today on the subject was in marked contrast with the outspoken manner in which he had criticised the U.S. action on previous occasions.

Though the meeting lasted the whole day spread over two sessions, the Minister chose to say practically nothing of any importance on even other issues like the no-war dialogue with Pakistan and the border talks with China other than assuring the members that their views on all these sensitive issues would continue to be given due consideration in discussing these agreements. His reluctance to disclose the Government's latest thinking on any of these issues indicated a desire to keep the Indian negotiating positions confidential for the present.

Meanwhile, the Government has been taking steps in several directions to improve Indo-American bilateral relations wherever possible. It has also been adopting a slightly less critical attitude towards American policies and actions without prejudice to India's positions.

The idea is to widen the grey zone in which there would be enough opportunities for increased cooperation in non-political spheres. And an attempt is being made without any fanfare to identify and expand such areas in which mutually beneficial relations are both possible and desirable despite their continuing differences over more fundamental issues.

CSO: 4220/7812

REPORT ON GANDHI INTERVIEW WITH SPANISH WEEKLY

New Delhi PATRIOT in English 1 Feb 82 p 8

[Text] Prime Minister Indira Gandhi has said that the country is on a stronger base today and the effort is on to make it more self-reliant, reports PTI.

"It is not only a good thing to be self-reliant but it is essential for a very practical reason that India is too big a country to be helped out of crisis, by anybody else or by a combination of them," the Prime Minister said in a recent interview to a leading Spanish weekly.

"We have to stand on our own feet," she said.

"When we look back to where we were, the advance is spectacular, but when we see where we have to go, then we realise that we have only touched the fringe," the Prime Minister said.

Mrs Gandhi pointed out that India is a country with vast problems and it is difficult for people in Europe to comprehend the size of each problem.

"What you have to understand is that each country is governed by its geographical locations on the globe as well as its historic experience. Now what is different about India from other countries is that in spite of its gigantic problems which have been in existence since time immemorial, we have existed as a united entity," the Prime Minister said.

Mrs Gandhi said "it is not true that the British united us which is sometimes propagated in Europe." The idea of unity, she pointed out, was mentioned in our very ancient classics, hundreds, if not thousands of years old and the concept of unity had been constantly promoted from those times.

The unity of India and the feeling of Indianness persisted in the country despite the existence of hundreds of small kings and big kingdoms, she said.

"We have had invasions from outside. But until the Europeans ruled, everybody who came became Indians and they were absorbed in the vast personality of India," she said.

Openness of Mind

Another aspect of Indian personality, Mrs Gandhi said, was its tremendous capacity and openness of mind.

"It accepts people, it accepts ideas, it changes, it makes them Indian, it adopts them...something it rejects and whatever is left becomes totally Indian," she said.

It was only the Britishers and European connection which remained separate but it had also left its influence, she said.

Mrs Gandhi said, "there are many words of Indian languages in English which we did not know had come from India."

"It is only now when various books are coming out that we are discovering how they evolved from various Indian concepts or actual words," she said.

She said independent India had solved many of its problems but as is true of all aspects of life, the solution of a problem, very often, if not always, created new problems. "As soon as one set of problems is solved, another takes its place so that life is never without problems," she said and added that people who come from Europe tend to see only the poverty and sometimes even took pains to track down that aspect of it.

Mrs Gandhi said "we are a people who are fighting against poverty. Today the poverty you see is nothing like what existed on the day we became free or even 10 or 20 years later. It has changed a lot."

She admitted that poverty and economic backwardness were there. But what was regarded as luxury before was a necessity now. So, that picture was an evolving one.

Mrs Gandhi replied in the negative when asked whether she was proud of her achievements. "If I have any pride, it is the pride in my country, what the country can do and what the people can do." She said she did not take pride in what she did. "All that an individual can do is to try his or her very best," she said.

Mrs Gandhi said she could only say that she did her best. Along the long way, she would take the country and its people forward a few steps. "It is for others who will come later to take it further."

Development

Asked what were the measures she had taken, the Prime Minister said she had taken some steps--some were obvious steps, some were not so obvious. "Well I am happiest about the not so obvious which helped the people to have greater hope in the future," she said.

She said the country had developed in every direction--economically, and the country was self-sufficient in foodgrains.

In the realm of science and technology, Mrs Gandhi said the country was third in the world as far as the number of technicians and scientists were concerned. The country had also made tremendous progress in the spheres of health and medicines.

Mrs Gandhi said the Government had done a great deal for its farmers. "Otherwise, we would not have the spectacular increase in the food production."

On the industrial front, she said industries had been diversified and it was three times as much as it was when the country became independent.

Family Planning

Asked whether India would be soon self-sufficient in oil, Mrs Gandhi said "we are not sure. We are doing everything to increase our production." Replying to a question on family planning, Mrs Gandhi said in the past, people were misled because of a lot of wrong propaganda, by opposition parties and a section of the press.

The success of the family planning depended upon the general development. "When the people's standard of living rises they automatically want smaller families because they realise that they have a responsibility to the children and the mother realises her own responsibility to herself."

The message of family planning, she said, had reached the people and the population was going down in large parts of the country. The parts, which were economically more backward, were still the problem areas, she said.

In the beginning of development, Mrs Gandhi said the population did go up because of better health. "Our life expectancy now, which was in the thirties--31 or 32--before is now nearer 60. That means that many more people are alive. That is one of the reasons why the family planning programme was not as successful as we would have wished."

She said in the last census taken in 1981, "we were 39 million less than we would have been if there had been no family planning programme," she said.

CSO: 4220/7806

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CSO: 4220/7806

RESHUFFLE IN ANDHRA PRADESH CABINET ANNOUNCED

Madras THE HINDU in English 8 Feb 82 p 1

[Text]

HYDERABAD, Feb. 7.

The portfolios of 16 Andhra Pradesh Ministers were affected in a reshuffle announced by the Chief Minister, Mr. T. Anjiah, on the eve of the budget session of the Legislature commencing on Tuesday.

Mr. Anjiah said the main reason for the reshuffle was to distribute among the Ministers the three portfolios held by him consequent on the resignation of Ministers to become chairmen of zilla parishads last July. Mr. Anjiah has also redistributed Transport, Commercial Taxes and Education portfolios.

Mr. K. Kesava Rao, who was in charge of Small Scale Industries, gets Education while the Education Minister, Mr. Bhavanam Venkatarama Reddi becomes the Transport Minister. The Transport Minister, Mr. K. Roohi, moves over to Commercial Taxes, taken from Mr. M. Menik Rao who gets Excise.

The reshuffle was preceded by long consultations with the affected Ministers, some of whom had resisted the changes. The demands of some others were conceded by the Chief Minister. Mr. Venkatarama Reddi, who was in Delhi, was contacted on the telephone by the Chief Minister and his concurrence was taken before altering his portfolio. Mr. Kesava Rao resisted the offer of Transport

portfolio and asked for and got Education.

Mr. Bhattam Srinamamurthy, Minister for Cultural Affairs, gets Information and Public Relations held by the Chief Minister. Mr. Majji Tulaseidas becomes the new Minister for Medium Irrigation. His old portfolio of Backward Classes is attached to the Minister for Sugar Industries, Mr. T. Bala Goud. Mr. V. Venkateswara Rao becomes the new Minister for Small Industry.

An unusual feature is that Mr. S. Akker Dea, who was Minister of State attached to the Minister for Municipal Administration, is now attached to the Minister for Education also. He is the only Minister of State attached to two Cabinet Ministers. All other Ministers of State have independent charge of their departments.

Not "major changes": Mr. Anjiah insisted that these were not "major changes."

Among the Ministers who got new portfolios in addition to those already held by them are Mr. N. Chandrababu Naidu (Groundwater), Dr. V. S. Rajasekhara Reddi (Sericulture), Mr. Goka Ramaswami (Horticulture), Mr. C. Rajanarasimha (Backward Class Welfare), Mr. Ch. Hanumaiah (National Rural Employment), Mr. M. M. Hashim (Society for Employment in Twin Cities) and Mr. Veerappa (Leather Development).—Our Staff Reporter.

CSO: 4220/7818

PLANNING COMMISSION APPROVES '82-83 INCREASES

Bombay THE TIMES OF INDIA in English 7 Feb 82 p 1

[Text] New Delhi, February 6. The total outlay on annual plans of 21 states (except West Bengal) for 1982-83 shows an increase of 16.64 per cent over that of the current financial year.

The outlay finalised by the planning commission totals Rs 8,848 crores against Rs 7,585 crores for 1981-82.

The outlay on the West Bengal annual plan has yet to be finalised. Planning commission sources say that the state government has yet to supply the information asked for.

After the abortive talks between the Union planning minister, Mr S.B. Chavan, and the West Bengal team led by the chief minister, Mr Jyoti Basu, in New Delhi, the state administration sent certain data.

But according to Yojana Bhavan, it has yet to supply the complete information sought. "The ball is in the West Bengal government's court," a source said. "Whenever it is ready with the data, we will sit down to finalise the plan."

In spite of the 16.64 percent increase in the outlay of the other 21 states, the plan size will be smaller in real terms in almost all of them because of inflation.

There has been no increase in the plan outlays of Kerala and Rajasthan and the step-up in the case of other states varies from five per cent (Jammu and Kashmir) to 33 per cent (Tamil Nadu).

The outlays for Kerala and Rajasthan will be at the current year's level of Rs 275 crores and Rs 340 crores, respectively. The commission did not agree to raise the outlays because Kerala is in the red to the tune of Rs 85.64 crores and Rajasthan Rs 177.59 crores.

The resource position being tight, the commission has asked the states to ensure the timely completion of projects.

The Break-Up

One of the common problems shared in most states was the recurring loss incurred by state electricity Boards and road transport corporations. The commission has advised the state governments to try to reduce the losses.

The outlays approved for the other states are: Andhra Pradesh Rs 600 crores (against Rs 531.31 crores for the current year), Assam Rs 238 crores (Rs 210 crores), Bihar Rs 660 crores (Rs 560 crores), Gujarat Rs 760 crores (Rs 632 crores), Haryana Rs 320 crores (Rs 290 crores), Himachal Pradesh Rs 120 crores (Rs 100 crores), Jammu and Kashmir Rs 168 crores (Rs 160 crores), Karnataka Rs 475 crores (Rs 419 crores), Madhya Pradesh Rs 725 crores (Rs 640.43 crores), Maharashtra Rs 1,352 crores (Rs 1,080.10 crores), Manipur Rs 48 crores (Rs 43 crores), Meghalaya Rs 51.20 crores (Rs 46.55 crores), Nagaland Rs 42.86 crores (Rs 38 crores), Orissa Rs 300 crores (Rs 275 crores), Punjab Rs 385 crores (Rs 340.34 crores), Sikkim Rs 25.41 crores (Rs 23.13 crores), Tamil Nadu Rs 711 crores (Rs 514 crores), Tripura Rs 50 crores (Rs 45 crores), and Uttar Pradesh Rs 1,202 crores (Rs 1,023 crores).

CSO: 4220/7814

FINANCE MINISTRY OPPOSED TO PLAN INCREASE

Madras THE HINDU in English 4 Feb 82 p 7

[Text]

NEW DELHI, Feb. 3.

The Union Finance Ministry has opposed the Planning Commission's suggestion that the Sixth Plan size be stepped up from Rs. 97,500 crores to a figure reflecting the current price level. The Commission has told the Ministry that unless this is done, it will not be possible to achieve the physical targets of the Plan for the different sectors.

The Finance Ministry has expressed its helplessness about impounding 50 per cent of the additional DA instalments of employees as suggested by the Planning Commission. It has pointed out that even the Indian National Trade Union Congress has passed a resolution against the idea.

The Planning Commission had suggested that the States impound half the additional DA in order to improve their resources position. Some States have agreed but the others have said the lead should come from the Centre.

Annual plans

As for the 1982-83 annual plan, the estimates of resources made by the Finance Ministry indicate that there can at best be a 15 per cent increase in the Central plan over the current year's level. In the case of the States the increase is not likely to exceed nine per cent. This disparity will create an awkward situation, though it is not explained how "awkward" it is going to be.

The revised 20-point programme announced by the Prime Minister, Mr. Indira Gandhi, will call for some modifications in the Sixth Plan targets and require about Rs. 2,500 crores to Rs. 2,600 crores in additional resources. The Central and State Governments will have to undertake resource reallocation to implement the revised programme and the Sixth Plan. Non-plan expenditure will have to be reduced and the States advised not to go in for populist measures involving additional financial commitments.

Checking States' overdrafts

As for the suggestion that the Reserve Bank take strong action to check States running heavy overdrafts, the Finance Ministry has said that it is not easy to stop payments

to the erring States. The only alternative would be to prune the plans of such States. The size of their plans should be limited to Central assistance plus whatever resources they can mobilise on their own. The States also tend to increase non-plan expenditure in anticipation of the setting up of a new Finance Commission.

To another suggestion the Finance Ministry has said that massive power projects can be transferred from the States to the Central sector only if the resources needed are also transferred likewise. The Planning Commission feels there will be a shortfall of as much as 5,000 to 6,000 MW in power generation during the Sixth Plan. The Ministry, however, cannot see how the Centre can make up this huge shortfall even if the bigger projects are transferred from the States.

The Commission fears that even the reduced target of 3,200 MW in additional power generation capacity during the current year may not be fulfilled.

It has urged the Government to take a quick decision on whether power equipment should be imported. It feels imports will help to some extent in making up for slippages in the power sector.

Taking a dim view of the progress in the industrial sector, the Commission has said the on-going programmes should be completed first. Some of the projects which cannot be completed by March 1985 and on which no significant expenditure has been incurred may have to be abandoned. Small projects are receiving much less attention than they deserve and this should be rectified, the Commission says.

The Planning Commission expects a shortfall in agricultural production this year. It wants better utilisation of the agricultural potential already created, fuller exploitation of the potential in the eastern parts of the country and better performance in non-irrigated areas. Irrigation management itself is not good, partly because the required investment has not been made. The command area programme has not made much progress owing to frequent changes in top-level officers, it says.

ALL-INDIA COMMUNIST PARTY HOLDS PLENUM

Bombay THE TIMES OF INDIA in English 2 Feb 82 p 7

[Text]

THANE, February 1: The All-India Communist Party (AICP), at the three-day meeting of the plenum which concluded at Thane yesterday, passed a political resolution declaring that its platform was national democracy of unity of all patriotic democratic and left forces in the country.

The resolution states that the AICP regards the Congress (2) under the progressive leadership of Mrs. Gandhi, which has consistently pursued the policy of anti-imperialism and anti-colonialism, as the mainstay for defending our nationally accepted policies and the foreign policy of peace and non-alignment from the onslaught of the reactionary forces.

The five-page resolution was released to local newsmen here by Mrs. Rona Deshpande, a member of the AICP politburo yesterday evening. Mr. S. A. Dange, a veteran communist leader and general secretary of the AICP, had inaugurated the ses-

sion on Friday. He also guided the deliberations.

AICP'S SCHEME

The policies followed by the CPI and CPIM have come in for strong criticism in the resolution. The resolution has noted the difficulties in forging a broad-based front of the anti-imperialist, patriotic and democratic forces, more so because of the "Machete deviation" of the Right CPI leadership, which too in the name of the so-called "left and democratic unity" has joined the "all-in opposition unity" and has been stringing bed-fellows of the forces of the "anti-violent total revolution."

They have, both in parliamentary arena as well as in the working class front, joined hands with the BJP, thus reducing their said pretensions to mere mechanistic, the resolution has declared.

CSO: 4220/7807

CPI-M CONGRESS SECRET DOCUMENT SCORES CPSU

Calcutta THE SUNDAY STATESMAN in English 7 Feb 82 pp 1, 7

[Text]

NEW DELHI, Feb. 6.—While lining up with the Russian State for its fight against "U.S. imperialism" in its published political resolution, the CPI(M) has, in a secret document called a "political-organization report" adopted at the 11th party congress at Vijayawada last week, hit out at the Communist Party of the Soviet Union for its failure to lend its formal support to the Marxist Communists in India.

The CPI(M)'s public posture is not consistent with its private reservations towards the Russian Communist Party. The Marxist Communists seem to be in a state of transition in which, while apparently drifting away from the Chinese Communist Party, they have failed yet in their efforts to anchor themselves to the Russian Communists.

The CPI(M) central leadership tried to draw a distinction between the Communist Party and the Government in Russia—as the Chinese Communists have been doing since they rose to power, with regard to the countries in South-east Asia and their Communist Parties.

By doing so, the CPI(M) tried to cover up its embarrassment over the Russian Communist Party's cold response to its informal sounding, whether it (the CPSU) would send a message of greetings to the Vijayawada congress. The Russian Communists obviously would not do anything in a hurry to hurt their client-protégé in India, the Communist Party of India.

Though they were prevailed upon to take a pro-Moscow tilt in the published political resolution adopted at the congress, the hardliners in the CPI(M), led by the West Bengal members, had their way in the secret "political-organization report" in which they expressed in regarding their displeasure with the Russian Communist Party in no uncertain terms.

The West Bengal CPI(M) unit is overwhelmingly pro-Chinese. The leadership is acutely conscious of the fact that the party, minus the West Bengal unit, is almost a non-entity in terms of the country's politics.

There was no question of receiving a goodwill greeting from the Chinese Communist Party, since the CPI(M) leadership has been publicly adopting a line adverse to the Beijing leadership.

Obviously, the CPI(M) leadership has been adopting the "self-righteous" attitude in its pro-Soviet tilt. It has to appear to be taking the "correct line" from the very beginning. At the same time, as a Communist Party, the CPI(M) cannot be blind to what Marxist Communists call "the open and blatant" collaboration of the Chinese Communist Party with the "imperialist USA".

In its anxiety always to appear to be taking the correct line, the CPI(M) leadership rejected suggestions from the delegates at the Vijayawada congress that the Russian Communist Party was as guilty as the Chinese Communists in ignoring the interests of revolutionary forces in the under-

developed countries and placing reliance on the friendly Governments of these countries.

As regards its domestic policies, the CPI(M) has decided to continue to follow its old line of a two-front approach--an anti-authoritarian broad front and the Left and democratic alliance. The CPI(M) has characterized Mrs Gandhi's Congress(I) Government as authoritarian.

The CPI(M)'s anti-authoritarian front will comprise all "bourgeois" Opposition parties, including the "communal" Bharatiya Janata Party, because they, like the CPI(M), are equally opposed to the authoritarianism of the Congress(I).

The CPI(M) has included in its Left and democratic alliance the CPI and all Opposition parties and "democratic forces," like the AIADMK and DMK in Tamil Nadu, the Akailis in Punjab and the "republican parties and organizations of the tribal peoples." It is clear from the list that the CPI(M) has no hesitation in accepting the regional parties and is taking an opportunist position in including them, because the proposed alliance cannot be justified on the basis of the class positions of these parties.

There was nothing new at the Vijayawada congress. The central leadership remained entrenched in power both in the nine-member Politburo and the 45-member central committee. There was no change in the membership of the Politburo, except that one vacancy caused by the death of Mr Balasubramaniam was filled by Mr Samar Mukherjee.

The leadership of the CPI(M) at the centre remains firmly in the hands of the old guards--average age 70 plus--who have firmly declined to yield any position to younger members in the party. The number of central committee members--average age 60--has been raised by three to 45 members. This is the only change, if that can be called a change at all.

CSO: 4220/7816

INDO-SOVIET S&T COOPERATION PLANS IDENTIFIED

New Delhi PATRIOT in English 2 Feb 82 p 5

[Text] The Soviet Union will cooperate with India in its research for developing fusion technology, science and technology, secretary Prof M.G.K. Menon told newsmen on Monday.

Fusion technology and tunable lasers form part of the areas of higher sciences identified by the joint Indo-Soviet sub-commission on science and technology which met in the Capital last week to review the progress of a decade of science and technology cooperation between the two countries.

The commission's meeting culminated in the signing of the programme of cooperation by Prof Menon for India and the First deputy chairman of Soviet Union's State committee for science and technology, Dr L.N. Effremov.

The areas identified for further research cooperation between specific Soviet research organisations and Indian agencies like the Indian Science Institute, Regional Research Laboratories, Bhabha Atomic Research Centre and the TIFR cover what are described as the 'thrust' areas—including holography which uses laser beams for recording and creating three dimensional images, biological engineering and technology and the use of special tunable lasers used for separating isotopes of radioactive elements.

The other areas are electro-slag technology, electro-metallurgy, heat and mass transfer, catalysis, systems analysis, alloys and physics. Already areas in which joint research and development continues include energy projects, peteology, standardisation, powder metallurgy and magnetohydro-dynamics for electricity generation.

The sub commission, in reviewing the progress of the on-going projects, expressed its satisfaction at the pace of research. Prof Menon and Dr Effremov cited the case of the MHD generators where Indian research had produced many component parts which had been successfully tested in the research facilities in the Soviet Union. A 500 megawatt MGD generator would therefore become functional by year end or in 1983 to work on an experimental basis.

In other areas, relevant departments of India, including the atomic energy and space organisations, had similar programmes with their Soviet counterparts, Dr Effremov said.

Coal Knowhow

India has also shown an interest in the process developed in the USSR for underground gassification of coal and further development of transporting coal in the form of slurries through pressurised pipelines.

The Soviet Union, which has sold the gassification technology even to the US, has however given up the slurry technology as being unsuited to the coal deposits found in the USSR.

CSO: 4220/7808

INDO-SOVIET CULTURAL SOCIETY MEETING REPORTED

New Delhi PATRIOT in English 3 Feb 82 p 10

[Text]

THE crucial role of Indo-Soviet cooperation in steering the world away from the present dangers and in consolidation of world peace was highlighted by several speakers at a public meeting on Tuesday.

The meeting was called by the Indo-Soviet Cultural Society to observe the 32nd anniversary of the Indian Republic and the 27th anniversary of Indo-Soviet economic cooperation.

Secretary of the CPI N K Krishnan said that the shared principles underlying Indo-Soviet—were those which were crucial to social progress and the survival of mankind.

Mr Krishnan also advocated greater cooperation between socialist countries and the non-aligned nations to effectively deal with the growing forces of militarism.

Former Indian Ambassador to the USSR I K Gujral condemning the wooing of the Pakistani Government by the US with heavy arms supplies, said that this would have to be consistently opposed

because if these policies precipitated into a war with India, it would cause great losses to both the countries.

Mr Gujral lauded the aid rendered by the Soviet Union to India in developing its industrial and other potentials. He pointed out that this economic aid had been coupled with Soviet support during the major crisis faced by India—as in the case of the Bangladesh and Kashmir issues.

Head of the Economic division of the USSR Embassy V V Sreshnikov highlighted the major fields of Indo-Soviet economic cooperation, which, he said, were evident in every field of Indian life—be it agriculture, industry or scientific and technological development.

The meeting was presided over by Rajya Sabha MP Dinesh Goswami.

CSO: 4220/7809

INDO-BULGARIAN CULTURAL COOPERATION NOTED

New Delhi PATRIOT in English 3 Feb 82 p 5

[Text]

An Indo-Bulgarian symposium is to be held in Simla in June this year to mark the birth centenary of outstanding Bulgarian revolutionary Georgi Dimitrov. Bulgarian Minister of Public Education Prof Alexander Kol in formed on Monday.

Prof Kol, who alongwith his wife spent over 10 days in India at the invitation of Education Minister Mrs Sheila Kaul, said the symposium formed a part of the protocol on expansion of Indo-Bulgarian cooperation in education and culture which was recently signed in the Capital.

The protocol was concluded after extensive discussions between Prof Kol and Mrs Kaul and will be valid for a period of three years. The protocol highlights comparative study of Indo-Bulgarian historical, archaeological and linguistic relations from the neolithic period.

According to the protocol, an

Indian teacher of Sanskrit will shortly be sent to Bulgaria to promote Sanskrit studies there.

It also assures Bulgarian assistance for development of Slavonic Studies in the wake of the Government of India's decision (taken at the instance of Mrs Gandhi) to set up a Chair of Slavonic Studies in Delhi University named after former Bulgarian Minister of Culture Madame Lyudmila Zhivkova, the late daughter of Bulgarian President Todor Zhivkov.

Prof Kol, described the protocol as a 'real plan of action' guaranteeing widening of educational cooperation between the two countries.

He informed that his meeting with Prime Minister Indira Gandhi on Monday was highly useful and he had conveyed President Zhivkov's best wishes and warmest personal greetings and regards to her.

CSO: 4220/7809

NEED FOR CONTINUITY IN FOREIGN POLICY STRESSED

Madras THE HINDU in English 7 Feb 82 p 2

[Article by G. K. Reddy: "Ambivalence & Ad Hocism"]

[Text]

IN the merry-go-round of Delhi, a lot of time is devoted to foreign affairs, often at the expense of pressing domestic problems. Perhaps next only to party politics, foreign policy has become a consuming passion not only to those in power, but even ringside observers of the national scene. The close inter-relation between diplomacy and defence makes it a preoccupation an inescapable compulsion for any government.

There are several strands in the conduct of a nation's foreign relations that have to be fused together to produce a coherent policy capable of subserving its enlightened self-interest at all times. In upholding the basic norms of international behaviour, the policy-makers have to display flexibility and imagination to make sure that they do not unwittingly become prisoners of their own principles and predilections to the point of foreclosing their options.

It is not always necessary to compromise with evil or sacrifice one's principles to keep up a posture of reasonableness or strengthen the negotiating position, so long as the practitioners of the art of diplomacy can maintain a credible distinction between what is possible or desirable in making the best of a bad situation. The policy-makers must be clear in their minds about what they want to achieve in a particular context before they can make appropriate moves in that direction. There is an imperative need for these qualities of leadership not only in moments of crisis but also in more normal times.

Dilemmas

A country must have a foreign policy philosophy of its own with well defined objectives that leave no place for ad hocism. If the leadership gets into the habit of improvising its responses under pressure of events, it will inevitably come out a cropper by adopting unduly rigid attitudes or yielding to the exigencies as an easy way out of inresolvable situations. The choice is not always between firmness

and appeasement, since no single development can be isolated from the totality of circumstances and dealt with only on its merits.

All these dilemmas came to the fore in a perplexing combination during the recent talks with Pakistan on a no-war pact. If Pakistan had taken over 30 years to respond to the initial Indian offer, there was no harm in India waiting for three months to indicate its readiness to talk on the Pakistani proposition. But in attempting to come to grips with the complexities of an acceptable basis for renouncing force, the two sides did not seem to appreciate adequately that the very concept of war had changed considerably even in the sub-continental context with the increasing threat of induction of nuclear weapons into any Indo-Pak confrontation in future.

Irrelevant dictum

The old Clausewitzian dictum that war is a continuation of politics by other means — or, conversely, peace itself is a continuation of war in a different form — has become irrelevant in this nuclear age. The enormous growth of destructive potential in modern war, even without the use of nuclear weapons, has its own in-built deterrence. One of the paradoxes of present-day power rivalries is that the very possibility of enormous damage inhibits countries from actual resort to war.

There is thus a lesser danger now of another Indo-Pak conflict than in a comparable situation in the past. The revenge theory does play a part in the Pakistani psychology, but even the most foolhardy ones in the Zia establishment have no illusions about getting away with a surprise attack to settle old scores, without paying a heavy price for it. The heavy induction of American arms is no guarantee against this grim possibility of swift retribution. The two countries possess enough destructive power with conventional arms, even without resort to nuclear weapons, to make another war quite unthinkable and, therefore, highly improbable in the foreseeable future.

The Prime Minister, Mrs. Indira Gandhi

was right in placing the primary emphasis on increased Indo-Pak cooperation than on mere renunciation of force. There can be no real peace in the sub-continent until the two countries develop mutually advantageous relations and build enough confidence to preclude the dangers of another conflict. The no-war idea is not an end in itself but only a starting point for better understanding based on beneficial bilateralism.

But the Indo-Pak relationship cannot be isolated from other developments impinging on peace and stability in the region. The superpower rivalries in the area certainly have a destabilising impact on the Indo-Pak situation and, unless the two countries are able to work together with a measure of accord to insulate the sub-continent from it, a no-war pact by itself cannot make much difference to the basic realities of their conflicting interests that can put them on a collision course again.

Internal debate

There is need for a greater degree of internal debate within the Government, through inter-ministerial consultations and periodic policy evaluations at the professional level by those dealing with such problems, to ensure some degree of continuity free from abrupt reversals or sudden deviations. The leadership, too, must learn to exercise greater restraint by resisting the temptation to react instantly to events. The Government had to run at least half circle to retract from its earlier pronouncements on the no-war proposition.

In the remorseless game of international diplomacy, there is no place for ad hocism. The policy-makers must examine the pros and cons carefully bearing in mind the country's self-interest, before responding to suggestions or events that are of vital importance to it. This requires a well established tradition of pooling ideas and sharing opinions at various levels of the Government.

Astonishing omission

The recent China dialogue was conducted without consulting the Defence and Home Ministries, although the talks concerned the border problem. It was only after this astonishing omission was brought to her notice that Mrs. Gandhi directed that this mistake should not be made again.

Apart from ad hocism, there is also an increasing tendency towards casualness in dealing with foreign policy problems. In better organised societies, the leadership lays down the objectives and defines the fall-back positions before officials engage themselves in delicate diplomatic exchanges. But in India the leaders talk out of turn saying things that become embarrassing constraints during negotiations. This ambivalence has been equally manifest

in the country's neighbourhood diplomacy and in its dealings with the big power rivalries in the region.

A diversion

The leaders have also been talking on foreign affairs at odd places, more as a diversion from embarrassing domestic issues, making off the cuff observations that are often mistaken for policy pronouncements. There are generally no authentic accounts of what exactly has been said on such occasions, and the frequent denials of published reports tend to undermine the credibility of ministerial reactions. What is worse, the ambiguities and inconsistencies of such observations are sought to be explained away with a lot of double talk which only adds to the prevailing confusion.

It is not possible to conduct foreign policy without greater precision both in thought and articulation to clarify the positions, dispel doubts and carry conviction wherever possible. One cannot afford to talk too frequently of foreign involvement and place the burden on those accused of interference to vindicate themselves by disproving the charge and establishing their innocence. Similarly, the balancing act of giving the Soviet Union the benefit of doubt in Afghanistan cannot be carried to the point of mitigating, if not condoning, the consequences of its military intervention by equating the U.S. machinations with it.

Apart from the need for greater precision, there is need for greater compartmentalisation of foreign policy so that each development could be dealt with on its merits and in its particular context without ignoring its correlation with other inter-linked events that have a cumulative effect in a developing situation. Above all, it is highly important that foreign affairs is not treated as a convenient distraction from domestic political pressures. No foreign policy, whether in relation to a big power or a small neighbouring country, can succeed without a solid central core to it.

Flattering record

India has to contend with a wide range of international developments and complexity of problems involving power equations. Though it has made mistakes, it has infinitely more to its credit than discredit in the conduct of its foreign policy in the last 35 years since independence. And this flattering record makes it imperative that the country's reputation for a principled stand should be preserved at all costs, even if it meant trading on the coine of both friends and foes at times, when it has to do some plain speaking in the interests of truth and justice.

ANALYST SEES IMPROVED MORALE IN CIVIL SERVICE

Madras THE HINDU in English 8 Feb 82 p 1

[Article by G.K. Reddy: "Morale of Central Services Better"]

[Text] New Delhi, Feb 6--The Prime Minister, Mrs Indira Gandhi, has called a meeting of all Secretaries to the Government on Monday to discuss steps for implementing the 20-point programme as an integral part of the Sixth Plan.

She wants the initial targets to be set and fulfilled as part of the current productivity year, both at the Central and State levels, to provide the necessary administrative thrust for carrying out this programme.

A senior officer of the rank of a Secretary is to be appointed shortly to closely monitor the implementation of this programme, a task which is now being performed in a half-hearted manner by the Planning Commission.

The Prime Minister has had a series of discussions on the subject with the concerned economic Ministers and members of the Planning Commission, before calling this meeting of secretaries to carry forward this exercise to the next stage. The Economic Secretaries have made some suggestions which will be discussed at this meeting for chalking out the targets for implementation in a methodic manner to achieve quicker results.

At a similar meeting of Secretaries held a few months ago, Mrs Gandhi called upon them to give their candid advice on policy matters, but carry out the approved programme with dedication. She tried to allay the apprehension that even well-meaning advice which was contrary to the wishes of their political superiors was bound to be misconstrued as obstructionism.

After the shabby manner in which most honest officials had been treated both during and after the Emergency, a conscious effort has been made to first halt and then reverse the trend of politicising official postings and promotions. Though none of them who were arbitrarily pushed out had been reinstated in comparable positions, due care has been taken in recent months to create a reassuring impression that once again seniority and merit were counting in the choice of secretaries to the Government.

The last major instalment of posting of nearly a dozen secretaries, based largely on proven integrity and competence besides seniority and experience, proved a morale booster for the civil services. This single aspect of the new personnel policy has helped considerably to tone up the quality of government at the Centre.

CMs' vendetta: But unfortunately the Chief Ministers continue to play havoc in some States, carrying on a private vendetta against senior officials who have fallen from their grace for whatever reason. The way some IAS officers have been treated recently in Madhya Pradesh has caused quite a lot of indignation among the civil servants at the Centre.

So there is a growing realisation at the political level that no government could ensure better performance by playing favourites and destroying the esprit de corps of the administrative services. The Prime Minister is now very particular, that whatever has happened in the past, the new promotions policy should be based primarily on merit to provide the necessary incentives for competent officers to reach the top on the strength of their proven performance.

Public sector: Another interesting development is that there is greater emphasis now on decentralisation rather than centralisation in economic administration. Mrs Gandhi is insisting on less and less ministerial interference in the running of public sector enterprises. The Government has learnt the hard way that over-centralisation of administrative controls and excessive interference by the parent ministries inhibits local initiative and impedes production.

About 35 top vacancies have been filled in the public sector in the last two or three months and the new executives have been given enough freedom to choose their subordinates within the framework of the prescribed procedures. This policy of liberalisation in public sector management is being combined with the restoration of the importance of secretaries at the policy-making levels to ensure better implementation of the approved programmes.

CSO: 4220/7818

FINANCE MINISTER MEETS WITH TRADE UNION LEADERS

Bombay THE TIMES OF INDIA in English 9 Feb 82 p 1

[Text]

NEW DELHI, February 8.

THE Union finance minister, Mr. Pranab Kumar Mukherjee, told trade union leaders today that concrete steps were being formulated to implement the revised 20-point programme and he urged the involvement of all sections of the economy in it.

Mr. Mukherjee pointed out that sustained improvement in industrial relations was crucial for the overall success of the programme.

An institutional framework existed for reaching mutually satisfactory arrangements whenever problems cropped up. Where necessary, these mechanisms were being further refined and strengthened.

It was essential, the finance minister said, that these mechanisms were effectively utilised so that the adverse consequences of strained labour relations were minimised.

Mr. Mukherjee also hoped that labour would actively participate in making the Productivity Year (1982) a success.

Referring to the Essential Services Maintenance Act mentioned by some of the participants, Mr. Mukherjee gave the assurance that the government was not anti-labour.

"Our party", he said, "has a long tradition of organising trade union activities and it would always protect the interests of the working class".

The finance minister's meeting with trade union representatives, lasting three hours, was the third in a series of pre-budget discussions. He had already met economists and industrialists.

Giving a resume of the economic scene, he said determined efforts by the government in the past two years had brought about a significant improvement. Industrial production had increased at the rate of ten per cent during the first nine months of 1981-82.

The trade union representatives welcomed the fact that for the first time pre-budget discussions were being

held with them by the Union finance minister.

They focussed attention on three major areas: the price level, unemployment and industrial sickness.

On the price front, they stressed the urgent need for protecting wages in real terms. In this context, some of them called for strengthening of the public distribution system to cover all essential goods.

They said the role of middlemen should be reduced, if not eliminated, and co-operative chains set up for industrial workers.

On employment, they urged the government to effectively check lock-outs and closures which rendered thousands jobless. They pointed out that schemes of modernisation (or automation) should not lead to retrenchment.

On industrial sickness, they pointed out that government policy should be to prevent units falling sick.

The trade union leaders also suggested schemes of pension and unemployment insurance for industrial workers and provision of subsidised housing for them.

Some of them raised the question of the ESMA on which the finance minister sought to assure them that the government was not anti-labour.

Mr. Mukherjee said that the Congress had a long tradition of organising trade union activities and it would always protect the interests of the working class.

Among the trade union leaders present at the meeting were Mr. A. N. Puri (National Labour Organisation), Mr. N. Chakravarty (CITU), Mr. Jatin Chakravarty (United Trade Unions Congress), Mr. P. Chinda (UTUC), Mr. N. C. Ganguly (Bharatiya Mazdoor Samithi), Mr. B. D. Joshi (AITUC), Mr. Naren Sen (National Front of Indian Trade Unions), and Mr. A. Subramaniam and Mr. Brij Mohan Toofan (Hind Mazdoor Sabha).

Two representatives of the ITUC were also invited, but did not attend.

JUSTICE TELLS DEVELOPMENTS IN CONSTITUTIONAL LAW

Bombay THE TIMES OF INDIA in English 7 Feb 82 pp 1, 9

[Text] Bombay, February 6. The supreme court has in recent years added a new dimension to the rule of law by devising new techniques and fashioning new tools with a view to controlling abuse of executive discretion and reaching socio-economic justice to the common man in conformity with constitutional goals, Mr Justice P.N. Bhagwati said here today.

Mr Justice Bhagwati, who is the senior-most judge of the supreme court was speaking on "Recent development in constitutional law through judicial decisions of the supreme court of India" at the Hinduja auditorium at the invitation of the P.D. Hinduja Trust.

Mr Justice Bhagwati said the new jurisprudence which the supreme court was evolving in the last few years was the result of a case-to-case development and he was striving through this talk to inform citizens how the court was developing and moulding the law to give it a new dimension and vitality.

Implicit in this pro-active approach of the supreme court was recognition of its power of judicial review and its role as interpreter of the constitution and its commitments to legality and due process of law, to participate justice, commitment against arbitrariness in state action, commitment to just standards of procedure, commitment to immediate access to justice and commitment to right mobilisation in the real sense, Mr Justice Bhagwati stated.

Mr Justice Bhagwati stated that the starting point of this exhilarating development of law was the case concerning the impounding of the passport of Maneka Gandhi. The court was concerned with two basic questions: one was whether the right to go abroad was a fundamental right and the other was whether the audi alteram partem rule was displaced having regard to the emergency nature of the action.

Reasonable Procedure

Mr Justice Bhagwati stated that the supreme court for the first time took the view that article 21 of the constitution afforded protection not only against executive action but also against legislation and no law could deprive a person of his personal liberty unless its prescribed a procedure which is reasonable, fair and just.

And it would be for the Supreme Court to determine whether the procedure is reasonable, fair and just and if it is not, the court would strike down the law as invalid. Thus article 21 assumed a new-dimension and the court introduced procedural due process in the constitutional law of India by a process of judicial construction.

The supreme court held that the procedure for impounding the passport laid down by the law must be reasonable, fair and just and must comprise the audi alteram rule. The court thus made the audi alteram parteum rule a constitutional right in cases where, in the opinion of the court, the procedure would not be reasonable, fair and just without it.

The supreme court was of the view that the authority concerned should give a post-decisional hearing so that the party affected had an opportunity to be heard and could present his or her case and controvert that of the authority. The court insisted that post-decisional hearing should be given on pain of invalidation of the impugned order.

This was one case where the law evolved by the supreme court had gone far ahead of that in the U.K. where it had been held in a number of decisions that the giving of prior notice and hearing might frustrate the object of taking action.

Mr Justice Bhagwati said while cross-fertilisation of ideas was desirable for development, there should not be slavish and adulatory imitation of the law on the West if it did not fit the Indian context and situation. It was necessary to view American and British decisions with a critical spirit. There was no need to surrender our judgment and be unduly influenced by what was stated in those decisions.

We have to develop our jurisprudence according to the needs of our society and the hopes and aspirations of the people and this was what the supreme court had been striving to do in the last few years," Mr Justice Bhagwati stated. The supreme court also affirmed its commitment against arbitrariness in Maneka Gandhi's case.

Arbitrary Discretion

In the International Airport Authority's case, the court held that in regard to government largesse, the discretion of the government was not unlimited in that the government could not give or withhold largesse in its arbitrary discretion or at its own sweet will. The award of a contract by the authority for running a canteen at Bombay airport to the highest bidder though he did not possess the requisite five years' experience of a registered second class hotelier as stipulated by the authority, was challenged by an aggrieved party and the supreme court held that the action of the airport authority was illegal.

In this case, the airport authority was recognised as a public-sector corporation and as an agency of the government. The court held by a process of judicial interpretation that "state" includes a public corporation acting as instrumentality or agency of the government and brought it within the discipline of fundamental rights. That is how the action of the airport authority was made amenable to

Article 14 of the constitution and was required to satisfy its mandate of nonarbitrariness.

The idea that the state action must be reasonable and nonarbitrary was carried a little further in Kasturilal Reddy's case where the court held that every state action must not only be nonarbitrary but must also be in the public interest, as clearly defined in the preamble and directive principles of the constitution.

Mr Justice Bhagwati stated that the supreme court had also affirmed in a few cases its commitment to just standards of procedure in order to prevent administrative repression. When the supreme court found in the habeas corpus petition brought before it on behalf of seven undertrial prisoners in Bihar that 30 per cent of the 30,000 undertrial prisoners were languishing in jail for periods ranging from five to ten years without trial, many of whom having been in jail longer than the period to which they would have been sentenced should they have been found guilty, it acted speedily to remedy that wrong.

List Called For

The supreme court asked the Bihar government for a list of such undertrial prisoners and not only ordered immediate release where necessary but granted relief for having been in jail longer than they should have. In a large number of cases, the prisoners were subsequently acquitted honourably as the charges could not be proved beyond a reasonable doubt.

The supreme court laid down the principle for the first time of granting bail on personal bond where the court was satisfied that the accused had his roots or ties in the community and was not likely to abscond to assure justice to the poorest of the poor who had no money to pay the bail amount and get the necessary sureties.

The supreme court also insisted on the adherence of the right to legal aid for an accused unable to hire a lawyer to represent him. The court ruled that free legal service to a poor accused in a criminal trial involving jeopardy to personal liberty was an essential ingredient or inalienable element of reasonable, fair and just procedure as was implicit in the guarantee of article 21.

Again, the supreme court had ensured immediate access to justice by broadening the locus standi principle empowering a public-spirited individual or party not directly connected with the case to seek legal remedy against executive wrong in the public interest.

Mr Justice Bhagwati said the Frances Mullen episode emphasised the role of the supreme court in guaranteeing the right to live with human dignity. Frances Mullen, a foreigner, was detained under the COFEPOSA and her young daughter wanted to interview her every week but this was refused and she was allowed to visit her mother only once a month. Frances Mullen challenged this action of the customs in a habeas corpus petition.

Remedial Action

The supreme court held that it would not only be entitled but constitutionally bound to intervene to protect the person concerned against such cruel or degrading treatment by requiring the state to take positive remedial action.

The supreme court had also been moving in the direction of rights mobilisation by remedial action debarring the use of irons and fetters on prisoners. It had given directions for introducing humane conditions in prisoners. The court had also given relief to a large number of undertrial prisoners who were not petitioners before the court but violations of whose constitutional rights were brought to the notice of the court through public interest litigation.

Mr Justice Bhagwati said the supreme court had also started appointing investigative teams of social scientists, including law academicians, to inspect jails and examine conditions prevailing there, make a survey of protective homes for women and to carry out socio-legal surveys regarding specific situations brought before the court to facilitate the enforcement of fundamental rights.

When chamars traditionally carrying out the vocation of skinning of animals and selling hides, complained of infraction of their fundamental right article 19(1) (g) by reason of the action of zilla parishads in Uttar Pradesh in getting this work done through contractors, the supreme court intervened and appointed a Commission consisting of a professor of law and journalist to visit some of the areas where the chamars reside to carry out a socio-legal survey.

The commission had made a comprehensive and highly constructive report which the court was now processing to consider the question of giving relief to the chamars. The court had also called on the state government to put forward a positive scheme for organising the chamars into cooperative societies and giving them the contract for skinning of animals.

The supreme court had been fashioning new tools and forging new weapons for the purpose of establishing and maintaining legality and due process and reaching justice to the common man, Mr Justice Bhagwati said. The supreme court was using the judicial process for maintaining and preserving the rule of law in its most dynamic sense.

The developments in constitutional law during the past four to five years showed that there was a fundamental rethinking in India about the role of the court. While some lawyers and judges still clung to the old model of the court being a reactive institution, there were a few others who had adopted a pro-active approach because they believed that the court was not a distant abstraction omnipotent in the books but an activist institution which it discharged with the responsibility of reaching justice to everyone in the country, including the have-nots and the handicapped. The supreme court was engaged in the task of making basic human rights meaningful for large sections of the community who are today deprived of justice.

Only Way

"This is to my mind the only way in which the court will be able to restore the confidence of the people and when I talk of the people I do not mean the fortunate

few who can afford to fight for their rights in the court but the struggling masses, in the capacity of the legal and judicial system to deliver justice," Mr Justice Bhagwati concluded.

The supreme court had tried to uphold the right to legal aid, the right to speedy trial and the right to human dignity. In special and fit cases, Mr Justice Bhagwati said, he had treated letters of undertrial prisoners and letters from social scientists and investigators and journalists about inhuman conditions in state institutions, as writ petitions and initiated corrective action.

Mr Justice V.S. Deshpande, chief justice of the Bombay high court, who presided in the absence of the governor of Maharashtra, Mr O.P. Mehra, said the talk of Mr Justice Bhagwati was highly illuminating and gave a new perspective of the positive role played by the supreme court in ensuring justice for the millions.

Mr Nari H. Gursahani, a trustee of the P.D. Hinduja Trust and a prominent lawyer, welcomed the gathering and Dr R.K. Menda, another trustee, proposed a vote of thanks. Present to hear the talk were judges of the Bombay high court, legal luminaries, prominent citizens and law students.

CSO: 4220/7814

INDIA ACHIEVES RECORD TEA EXPORT IN 1981

Calcutta THE STATESMAN in English 4 Feb 82 p 9

[Text]

THE Indian Tea industry achieved a record export of 245.7 million kg of tea in 1981, according to Tea Board sources in Calcutta on Wednesday. The earlier highest export was 237.5 million kg in 1956. The export in 1980 was 224 million kg.

A spokesman of the Tea Board said that Indian tea exports to Soviet Russia, Iraq, Australia and the USA had gone up considerably. Indian exporters had also been able to break new ground in some North African countries. Like Tunisia, where five million kg of tea was exported last year. Recently, a contract had been signed for shipment of Rs 1-crore worth of tea bags and packet tea to a developed country.

Production-wise too, 1981 had been a record year. The production in 1981 was estimated to be at 1980-level of 871 million kg. The spokesman pointed out that record production was possible because of good crops in North Indian gardens during the later part of the year. North India, which was having a deficit production till September, made up during the last three months to end up with 18 million-kg surplus production. South Indian gardens, however, had a deficit production of nine-million kg. According to preliminary estimates, the production in North Indian gardens was 448 million kg, while it was 131.3 million kg in South Indian gardens.

The spokesman said that the Tea Export Promotion Committee, which met in Calcutta this week, while appreciating the achievement of the exporters, expressed concern at the reports of undercutting among Indian tea exporters. Such unhealthy practices would bring down the unit price of tea affecting the total foreign exchange earning of the country, the committee felt.

Meanwhile, the Tea Board, which met in Calcutta on Wednesday, decided to liberalise the financial regulation to provide assistance to sick tea gardens so that the "marginal" gardens could avail of the assistance schemes. The Board expressed concern at the growing incidence of sickness among the gardens in Darjeeling, Dooars and Cachhar. The members of the Board asked the chairman to prepare a comprehensive report on the extent of sickness of the gardens.

The Board also decided to donate a laparoscope to the Assam branch of the Indian Tea Association to promote family planning among plantation labourers.

.CSO: 4220/7810

BRIEFS

SOUTHERN NAVAL COMMAND CHIEF--New Delhi, Feb 4--Vice-Admiral R.H. Tahlani will assume charge as Flag Officer, Commanding-in-Chief of the Southern Naval Command on March 1 from Vice-Admiral Dawson, who has been appointed the Chief of the Naval Staff. Vice-Admiral Tahlani is at present the Deputy Chief of Naval Staff. Vice Admiral S.L. Sethi, currently Chief of Personnel of Naval Headquarters, would take over as Vice-Chief of Naval Staff from Vice-Admiral M.R. Schunker, who is retiring. [Text] [Madras THE HINDU in English 5 Feb 82 p 9]

DEFENSE R&D CHIEF--Bangalore, Feb 4--Mr Vivek R. Sinha, till recently Director of Aeronautics Research and Development, has taken charge from February 1 as the Chief Controller of Defence Research and Development. Mr Sinha is the first defence scientist to reach this position from within the organisation. [Text] [Madras THE HINDU in English 5 Feb 82 p 9]

ENGINEERS TO ALGERIA--Bombay, February 5--a three-million-dollar contract between Rashtriya Chemicals and Fertilisers Limited and M/s Sonatrach, an Algerian government undertaking at Arzew, will be signed on February 18 to help the Algerians in the fields of organisation management and development. Briefing newsmen this afternoon, the chairman and managing director of the RCF, Mr Duleep Singh, said the main aim of the project was to "assure viable and stable operation of the units for production of nitric acid and of ammonium nitrate at the complex c'Engrais Phosphates d'Annaba." He said the RCF was operating a similar plant at their Trombay complex which had been commissioned. Mr Singh said the first batch of RCF engineers and technicians would leave on February 7 for Annaba in Algeria. Their stay would be for a two-year term which might be extended for another year. They would be paid 80 dinars a day by Algeria and \$10 by India, he added. This apart, they would be given free accommodation. [Text] [Bombay THE TIMES OF INDIA in English 7 Feb 82 p 13]

CSO: 4220/7813

SENTENCES OF SUBANDRIO, OMAR DHANI COMMUTED

Jakarta PELITA in Indonesian 28 Dec 81 pp 1, 7

[Excerpts] The President of the Indonesian Republic has granted requests for pardon submitted by the former deputy prime minister/foreign minister, Dr Subandrio, and the former air force commander, Lt Gen Omar Dhani.

The Presidential decision No. 52/G/1980, dated 14 December, 1980, confirmed the change of death sentences meted out to the two convicted persons to life imprisonment.

Subandrio and Omar Dhani were sentenced to death by the Special Military Tribunal on 23 October, 1966 and 23 December, 1966, respectively. Therefore, the two convicts have served the sentence for 15 years by now.

The Special Military Tribunal, an institution assigned to investigate and preside over the case of figures involved in the "30 September Movement" incident, began its court proceedings on 14 February, 1966. Nyoto, a leader of the Indonesian Communist Party, was the first defendant to be tried. The court sessions were held at a building which is presently the head office of the National Development Planning Board [BAPPENAS], at No. 2 Jalan Taman Suropati, Jakarta.

During the President Soekarno administration, Dr Subandrio was well-known as a knowledgeable political figure. In his capacity of deputy prime minister/foreign minister and concurrently chief of Central Intelligence Bureau [BPI], which is akin to the present State Intelligence Coordination Agency [BAKIN], Subandrio was practically the No. 2 man in Indonesia.

Eight months before the outbreak of the "30 September Movement" incident, Subandrio delivered a speech which contained important clues and signs. The occasion was a ceremony marking the 11th anniversary of DUTA MASYARAKAT daily, held at the Bank Indonesia building on Jalan M. H. Thamrin, Jakarta.

On that fateful evening of 4 January, 1965, Subandrio stated: "It is possible that during this year of 1965, some important event will happen in which friends will become foes and those who are revolutionary will become counter-revolutionary and reactionary. We may have to be compelled to part company with our personal friends and comrades-in-arms."

He continued: "Facing this possibility, we, as human beings, are naturally sad, but, devoted to the revolution as we are, we cannot do otherwise. We are compelled to take this step in order to safeguard our revolution."

During the past 15 years' detention awaiting the reply to his request for pardon, Dr Subandrio lost two members of his family.

First, his wife, Dr Hurustiati Subandrio, passed away several years ago. Not long afterward, their only child died also.

In the meantime, while serving his sentence in detention, he was allowed to meet with and be interviewed by reporters. What is more, shortly after the death of Colonel Bambang Supeno, it was widely circulated in public that Subandrio was courting the widow of the officer. This was followed by reports, as yet unconfirmed, to the effect that Dr Subandrio formally married the former wife of Col Bambang Supeno.

As a result of these "activities," many circles surmised that the death sentence on the former deputy prime minister would not be executed. He would be pardoned.

9300

CSO: 4213/36

TWO EVENTS CREATE DIPLOMATIC REPERCUSSIONS

Jakarta HARIAN UMUM AB in Indonesian 14 Jan 82 pp 1, 7

[Text] M. Panggabean, minister of foreign affairs ad interim, stated that Leo Lopulisa, Indonesia's ambassador to the Philippines, has expressed readiness to tender his apology to the Filipino government concerning an interview he had given BULLETIN TODAY, thereby closing the diplomatic incident caused by it.

Panggabean made this statement to the press after attending a ceremony at Merdeka Palace last Wednesday wherein Miodrag Prajkovic, the new Polish ambassador to Indonesia, presented his credentials to President Soeharto.

According to Panggabean, Ambassador Lopulisa voiced his apology when he met with the Philippine foreign minister, Carlos P. Romulo, in Manila. Panggabean did not mention the date of the meeting, merely saying that Lopulisa was summoned by Romulo a few days after his interview with the Filipino daily. At the time, Romulo expressed his government's displeasure over the press interview by Lopulisa.

In the said interview, Ambassador Lopulisa stated: "It would be best for the Philippine government to formally renounce its claims over Sabah."

On this occasion, Panggabean also confirmed that Ambassador Lopulisa has been recalled to Jakarta by the Department of Foreign Affairs for a clarification about his interview. However, he added, it is likely that the ambassador has some pending matters to be resolved at his Manila embassy, and that is why he has not arrived in Jakarta.

According to Panggabean, despite the press statement, relations between Indonesia and the Philippines remain cordial without any strain. He explained that Indonesia has no intention to take part in or interfere with the internal affairs of the Philippines.

He would not comment on a reporter's question as to whether Ambassador Lopulisa would be recalled.

At the same time and place, the foreign minister ad interim said he had summoned the Soviet ambassador to Jakarta, Ivan F. Shpedko, to convey the Indonesian government's attitude toward Radio Moscow.

Panggabean did not mention the exact date of the summons, but he confirmed that the Indonesian government would not accept what had been broadcast by Radio Moscow

some time ago about a congratulatory message for Soviet President Leonid Brezhnev on occasion of his 75th birthday anniversary by the self-styled Indonesian Communist Party which is banned in Indonesia.

Panggabean confirmed that the Department of Foreign Affairs had indeed summoned the Soviet ambassador, but he would not divulge the Soviet envoy's reaction.

Asked about the broadcast in question over Radio Moscow, Panggabean said resignedly: "Well, what could we do? It was definitely no good for us."

The said Radio Moscow broadcast was also denounced by members of the house of Representatives, including Chalid Mawardi and Amin Iskandar, chairman and member of House Commission I, respectively.

9300

CSO: 4213/36

INDONESIA

POLICE CHIEF BANS LISTENING DEVICES

Jakarta KOMPAS in Indonesian 9 Dec 81 pp 1, 9

[Excerpts] Gen Awaloedin Djamin, Indonesian chief of police, has prohibited the unhampered, public distribution and sale of voice tapping devices (mini-transmitters), which are able to pick up conversations within certain distances on the FM band of ordinary radios.

In his statement to the press Tuesday afternoon the police chief said the reason for the ban was that the devices can cause disturbances to the peace and order of society and can violate basic human rights.

The spying devices, in such miniature forms as fountain pens, buttons, watches or matchboxes, can be located or inserted in all sorts of desired places, like under a table or in a telephone, in order to tap into conversations without the knowledge of those concerned. As a result, no secret is safe from discovery. The devices can even be used by students to expose conversations of their teachers.

The tapping instruments, generally coming from Japan, are circulating widely in electronics stores. KOMPAS has learned the devices together with a tap recorder and FM radio are sold for around 150,000 to 200,000 rupiahs per set. Usually the transmitter has the form of a small matchbox with a little wire fitted at the end of it. When an individual buys a transmitter, he adapts it to his radio's wavelength, allowing him to pick up voices at a distance of about 50 meters.

In Japan the general public is prohibited from using the devices. So too in Germany, which only makes them for foreign consumption.

Last Saturday each Police Area Command in Indonesia was ordered to begin removing all of the "bugging devices" from circulation. Stores selling the devices are to hand them over to the police, who will confiscate them and hold them for future evidence. Those persons who have already gone ahead and bought the devices are also to hand them over to the nearest police station.

9792

CSO: 4213/30

FBSI COMMENTARY ON LABOR CONDITIONS

Jakarta HARIAN UMUM AB in Indonesian 28 Dec 81 pp 1, 7

[Excerpts] Agus Sudono, general chairman of FBSI [All-Indonesia Workers' Federation] said there were far less labor disputes in 1981 than the preceding year. Percentage-wise, the disputes in 1981 decreased by about 60 percent in comparison with 1980.

"We handle a labor problem before it develops into labor dispute and unrest," Sudono said, apart from the scant progress made by labor and management circles toward a harmonious relationship in line with Pancasila ideals.

With regard to collective labor agreements (PKB), Sudono divulged that by the end of December 1981, 1,629 PKB agreements involving more than 5,000 enterprises had been signed, as compared with 13 such agreements involving 45 companies when FBSI was founded 8 years ago.

Other achievements made by FBSI included the training of cadres totalling 17,830 by December 1981.

Agus Sudono heartily welcomed the efforts of the Governor of Jakarta Special Municipality who has succeeded in fixing the minimum wage of 750 rupiahs per day for all laborers in the capital. The minimum daily wage for Jakarta laborers was increased from 600 to 750 rupiahs as of 1 January, 1982.

According to Agus Sudono, it is necessary to readjust minimum wage rates once every two years so as to fit into price increases.

At the advent of the year of 1982, he also called on entrepreneurs to give workers a living wage so the latter can meet their minimum life requirements.

Sudono held that in 1982 special efforts must be made to form a communications forum at factory and company levels, enhance the education and skill of laborers and to set up a coordination body to handle labor problems.

He added that the formation of a communications forum between labor and management at factories would create a dialogue and a monitoring device to resolve any possible labor problem at its earliest stage.

With regard to the enhancement of education and skill for laborers, FBSI suggested that the government set up more vocational schools and training centers.

It is also hoped that private and state enterprises with training facilities open their doors to young school dropouts.

Sudono said it is necessary to form a committee that will handle labor problems, due to the great increase and seriousness of labor problems in the days to come, seen in the light of lack of job opportunities, skills, technology, capital and low productivity.

Sudono welcomed a suggestion put up by the minister of public works for the construction of lodgings for day laborers, in reply to a reporter's question. Such lodgings would help keep the city clean, for poor laborers need no longer sleep on shop porches or under bridges, which violates the Pancasila ideals and the 1945 Constitution.

Regarding lodging fees, FBSI suggested that they be paid by three parties, that is, the government, contributions by entrepreneurs and certain percentage of deductions from wages of the laborers concerned.

9300

CSO: 4213/36

NAVAL SEA TIME SET AT THREE MONTHS PER TOUR OF DUTY

Jakarta SINAR HARAPAN in Indonesian 9 Jan 82 pp 1, 12

[Excerpts] Indonesian warships will be limited to a naval sea time lasting three months per tour of duty and then required to return to base immediately. However, the warships must remain on guard on Indonesian waters throughout the country, especially in areas sensitive to foreign warships and important for interinsular trade.

This represents a new policy, Armada Commander Rear Admiral R. Kasendha told this paper recently. Previously, Indonesian warships often cruised eight months to one year at a stretch.

The policy of curtailing naval sea time, according to the rear admiral, is for the purpose of safeguarding the physical health of the crew and avoiding any possible ill effect of staying too long at sea.

After inspecting the "Gugus Tugas 81.6" operations led by Colonel Sujatno at Benoa harbor last 2 January, the armada commander said it was necessary to have the presence of as many warships as possible as a show of strength and authority against any possible incursion of foreign warships or trawlers.

Kasendha said recently the naval authorities have taken steps against foreign trawlers, for they are not only found guilty of poaching, but also of violating our territorial sovereignty.

It is true that poaching by foreign trawlers often takes place on Arafuru Sea and Banda Sea, mainly Taiwan and Japan, he said, adding that the Straits of Malacca, Sunda and Karimata, as well as South China Sea, Lombok Strait and Banda Sea are important sea-lanes for trade and defense and security.

To safeguard our waters in the north, the Indonesian navy is now concentrating its activities at Tanjung Pinang and Manado. These regions are also being utilized as temporary bases for Indonesian warships.

"Based on the armada in our possession, we are capable of facing threats which may crop up in the coming 10 years," he said.

In reply to a question concerning the shortage of low-ranking officers, Rear Admiral Kasendha said that graduates of Navigation Academy are required to undergo compulsory military service for 2 years and that many of them have shown interest in joining the navy.

FOREIGN, DOMESTIC INVESTMENTS REPORTED RISING

Jakarta SINAR HARAPAN in Indonesian 11 Jan 82 p 11

[Text] Development in domestic and foreign investments during 1981 showed an increase of 16.5 percent and 34 percent, respectively, compared with the value of capital invested in 1980, Ir Suhartoyo, chairman of BKPM [Capital Investment Coordination Agency], told reporters in Jakarta Saturday.

Domestic investment for 1980 registered a total of 1,839.9 billion rupiahs, and for 1981 2,143.6 billion rupiahs, which means an increase of 303.7 billion rupiahs or 16.5 percent.

Two hundred new projects of domestic investment, carrying an investment value of 1,117.4 billion rupiahs, were approved by BKPM in 1981. During the same year, the total value for project expansions, investment changes including the change in status from foreign to domestic investment, and cancellations of projects amounted to 1,026.2 billion rupiahs.

Among the approved domestic investment projects, 77 will be engaged in export trade with an estimated volume of \$648 million per year. Among the non-oil commodities to be exported will be logs, lumber, plywood, veneer, ready garments, pharmaceuticals, vanilla, tuna and other fishes, rubber, coffee, tea, leather and alcohol.

Judging by the total amount of capital, the most outstanding fields of endeavor are chemical industry, forestry, non-metal mineral industry, lumber industry, textiles, agriculture and food processing industry.

Chemical industry and food processing industry registered an increase of 176 percent and 126 percent, respectively, in 1981, as compared with 1980.

Locationwise, most of the domestic capital investments are in Jakarta Special Municipality, followed by West Java, East Java, East Kalimantan, Irian Jaya and Riau.

Sectors which absorb work force intensively are farming, mining, textile industry and basic metal industry.

The total foreign capital investment for 1980 was \$900.8 million, and this amount increased by \$306.5 million to \$1,207.8 million in 1981, a hike of 34 percent.

The 1981 foreign investment of \$1,207.3 million was composed of new projects, project expansions and investment changes.

According to Ir Suhartoyo, the 34 percent increase in foreign investment was attributed to promotion efforts in foreign countries, such as Europe, the U. S. and Canada.

"We plan to send another investment and promotion mission in 1982 to Canada, Australia and the U. S.," said the BKPM chairman.

A foreign-capitalized enterprise which is active in the harvesting of cassava for export will ask an Indonesian cooperative society with 6,000 farming members to take part in the project.

Furthermore, 21 foreign-capitalized enterprises have won government approval to sell a part of their shares to the Indonesian side by way of the Indonesianization of capital.

Sales of the shares to the Indonesian side, whether original partner or new partner, vary from 5 to 51 percent of the entire shares of the foreign enterprises concerned.

Among the foreign investment projects approved in 1981, 19 will be engaged in export trade, involving an export volume estimated at \$223.6 million per year.

Commodities to be exported will include tuna, plywood, furniture, pearl, rubber, husbandry products and TV tubes.

9300

CSO: 4213/36

NEW INDUSTRIAL DEVELOPMENT STRATEGY PLANNED

Jakarta KOMPAS in Indonesian 11 Dec 81 pp 1, 12

[Excerpts] It is indeed necessary to accelerate or speed up Indonesia's economic structural reorganization so that it can be completed by the end of the 5th Five-Year Development Plan. This means that acceleration is required in development of the industrial sector. Current development projects attempt to reorganize the economic structure so that it is more balanced, with the industrial sector obtaining the larger role.

This was pointed out by Widjojo Nitisastro, coordinating minister for economics, finance and industry/chairman of the National Development Planning Board at the opening of a seminar on "Industrialization in the Framework of National Development," which was conducted by the Center for International and Strategic Studies (CSIS) at Kartika Chandra Hotel Thursday.

The honorary chairman of CSIS, Soedjono Hoemardani, who opened the seminar, stressed the need for a new orientation in industrial development strategy and the need for acceleration in the industrialization process, so that the industrial sector can become the backbone of the Indonesian economy.

Currently the Indonesian economic structure remains unbalanced, according to Prof Widjojo, and this situation contains various weaknesses. "A majority of the production of goods and services comes from the agricultural sector. We want the bulk of that production to originate outside the agricultural sector, particularly in industry. At the present time most of the population has livelihoods based on agriculture. We desire a basis other than agriculture, industry in particular. At present a majority of Indonesian exports comes from the mining and agricultural sectors. We desire that most exports come from pre-processed goods, which become ready-made products." So stated Widjojo.

The coordinating minister also said that the industrialization which is being carried out in Indonesia is not easily implemented. Indonesia is not South Korea, which because of its situation must be oriented to an export economy whether it wants to or not. And Indonesia is not like the oil-producing countries with large-scale production, although Indonesian oil constitutes a blessing which must be utilized.

Industrial development in Indonesia not only means the growth of various industries, but also must mean the equal distribution of industrial development throughout the whole expanse of Indonesian territory. An island republic like Singapore is not confronted by this problem.

Industrial development also means equal opportunity to work, a problem that is not simple and not small. It means further the expansion of work opportunities, because the total work force constantly climbs every year and constitutes a challenge for industrialization.

In industrial development, besides needing to guard against being satisfied with the domestic market and thus weakening those industries concerned, the industrial structure must also possess stamina in the sense of being able to endure over a long period of time and of being resilient and flexible. Widjojo pointed to stagnant industrial structures, like those in the United Kingdom, which, because of an inability to adjust to changing condition, become the burden of the state. Conversely, West Germany and Japan are able to adjust quickly to changing conditions.

Meanwhile Soedjono Hoemardani believes that the successes achieved in industrialization programs till now will in turn raise new problems. The problems will not emerge if there are no successes. The emergence of the problems more represents a reflection of success and not a sign of failure.

According to Soedjono, reconsideration of an industrial development strategy in the framework of the overall strategy of national development has not been based on the belief that past development strategy has been inappropriate. Strategy used in the past was a step that was most appropriate and suitable for existing conditions. There is no need to doubt the success of the New Order in building the industrial sector.

Soedjono said that at the beginning of the New Order, industry's contribution to the GNP was a little over 9 percent. At the close of the 3rd Five-Year Development Plan it is projected industry's contribution will reach less than 13 percent. If this trend is maintained, by the end of the 5th and 6th five-year plans the industrial sector's contribution will be only 15-20 percent. Thus it will not fulfill the State Policy Guidelines of achieving an economic structure whose focus lies in industrial strength.

It is feared, Soedjono Hoemardani said, that patterns of industrial growth which were successful in the past will magnify industry's sorry condition if they continue to be maintained. Thus, he said, it is felt that a new orientation is needed in industrial development strategy.

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CSO: 4213/30

NEW EXPORT POLICY EXPLAINED

Jakarta KOMPAS in Indonesian 9 Dec 81 pp 1, 9

[Excerpts] In order to increase Indonesia's non-oil exports, the government will implement a series of steps which are currently being discussed. One of the steps which will be publicized without delay concerns methods of payment. Importers abroad will be given relief on the time period needed to make payment. In addition, the consignment system for export products will be expanded.

So stated Prof Dr Widjojo Nitisaastro, coordinating minister for economics, finance and industry/chairman of the National Development Planning Board, at a working meeting with parliament's National Budget Commission Monday evening. Sugandhi presided at the meeting.

Widjojo said the method of paying for Indonesian export goods is still quite an encumbrance upon importers abroad, although during the current world recession international market competition is very strong. Industrial countries are decreasing imports of raw materials and industrial products from the developing countries, so that the supply of export commodities is greater than the demand.

The method of payment which has been in effect till now is that importers pay for Indonesian export goods when the goods are en route and have not yet arrived at the destination of the importing party. Indonesian exporters can then receive payment from importers by redeeming letters of credit at the bank on the basis of bills of lading.

Because this method weakens competition for Indonesian export products, it will now be changed. An effort will be made so that importers abroad can pay for imported goods after the products arrive at their destination or, if possible, not until 2 or 3 months later. All of this is dependent upon the approval of Indonesian exporters and of the importers abroad.

Another means for increasing competition in regard to the method of payment for Indonesian export products is the consignment system. This system will be expanded for all kinds of export commodities. At present the consignment system is only applicable to tobacco, tin and pepper, but later it will also be applied to plywood, textiles, coffee, rubber and other export goods, ~~not~~ raw materials and industrial products.

The consignment system is a surrendering of goods by a seller or consignor to a distributor or dealer, who must act as the selling agent of the goods without transferring rights of ownership of the goods at the time of the surrender. In the system's simplest form the distributing party is only a commission merchant who sells the goods in the name of the owner and receives a commission.

Under this consignment system, importers abroad only act as distributors or dealers for Indonesian exporters. The importers do not pay for Indonesian commodities but sell them. They only receive a commission on the sale. The consignment system demands trust by the exporting parties in the importers abroad. Moreover, Indonesian exporters themselves need a great deal of operating capital. In this regard, the Indonesian government is going to supplement their funds.

Import Linkage

Another method that will be developed to increase non-oil exports is by linking purchases of government commodities and imports for government project requirements. Widjojo said Indonesia currently is expanding the development of large-scale projects. For example, the following are to be constructed: 18 sugar factories, a cement factory, a paper mill, water, steam and geothermal-powered electric generators, coal mines, an ocean transport fleet, railway freight facilities, telecommunications systems, bridges and others.

Equipment and machines are needed for the projects. If what is required is already produced domestically, then that is to be used. But many items still need to be imported. Conditions on quality and price, among others, are to be imposed on the foreign supplier of the import goods.

"There are now additional conditions, namely countries which export equipment and machinery to Indonesia must also import Indonesian commodities at values comparable to the exported goods," said Widjojo.

For example, if a country offers Indonesia sugar factory machinery, Indonesia will accept the offer if the aforementioned country is prepared to import Indonesian goods at a value comparable to that of the sugar factory machinery which is to be exported.

But, according to Widjojo, the system which is to be developed is not barter. Indonesia only desires fair play; that is, Indonesia is prepared to buy goods, but the seller must in turn be ready to purchase goods from Indonesia.

Purchases of Indonesian export commodities by countries which sell machinery and equipment to Indonesia must be over and above those previously made. For example, a country which has imported a certain amount of rubber must now make additional purchases of rubber or other Indonesian commodities in order to export goods to Indonesia.

The chairman of the National Development Planning Board realizes that this action by Indonesia will be challenged widely by the industrial countries exporting machinery and equipment. But there is no need to question it. Indonesia is in a fortunate position because many industrial countries are currently trying to find markets for their machine industry products.

During the aforementioned working meeting with parliament's National Budget Commission, Dr Widjojo also indicated a list from a summary of Indonesian export developments that was taken from data compiled by the Central Bureau of Statistics through August, 1981.

During that period, total Indonesian exports compared to the same period in 1980 dropping 12.78 percent in tonnage but rose 0.46 percent in value. This was due to the rise in the price of oil. Non-oil exports alone dropped 36.95 percent in tonnage and 28.11 percent in value.

From January through August, 1981, exports totaled 53,435,541 tons. During the same period in 1980 the total was 61,263,265 tons. In terms of value, exports in 1981 reached \$14.195 million, whereas in 1980 they totaled \$14.130 million.

The drop in non-oil exports in part was caused by Indonesian government policy. For example, exports of logs are currently being reduced because of efforts to process wood domestically. Exports of logs dropped from 9,078,848 tons to 4,914,005 tons in 1981, and the value dropped from \$1.310 million in 1980 to \$655.7 million in 1981 [sic].

The same was true for urea fertilizer, which in 1981 was not exported because of a jump in domestic requirements. In 1980 exports of urea fertilizer reached 189,383 tons at a value of \$28.7 million. Likewise, cement exports dropped because many domestic construction projects required cement. Cement exports reached 379,903 tons in 1980 at a value of \$16.8 million, but dropped to 195,631 tons in 1981 at a value of \$8.8 million. Similarly, exports of palm oil dropped 57.66 percent. In 1980 palm oil exports reached 277,728 tons at a value of \$151.9 million, and in 1981 they dropped to 117,588 tons at a value of \$73.7 million. "That is why we must now look to non-oil exports, natural gas, palm oil, cement, urea fertilizer and wood," said Widjojo.

On the basis of Central Bureau of Statistics data, exports named by Widjojo dropped 22.48 percent in tonnage and 15.21 percent in value. In 1981 exports reached 5,527,001 tons and in 1980 they reached 7,130,050 tons. In value, exports in 1981 reached \$2,227,000 and in 1980 \$2,685,300.

The drop in exports of non-oil products, natural gas, palm oil, cement, urea fertilizer and wood generally was caused by a drop in imports by the industrial countries. Imports dropped in value because the price of these commodities indeed had come down.

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CSO: 4213/30

RICE PRODUCTION UP IN 1981

Jakarta KOMPAS in Indonesian 9 Dec 81 p 12

[Excerpts] The Logistics Affairs Board (Bulog) estimates that 1981 rice production will be more than 23 million tons. Rice stocks which are the result of Bulog's current stockpiling effort have reached 2.5 million tons, while the amount which can be released to markets is very small. Next year total stocks will also be at least 2.5 million tons, so that Bulog is now "at wits end" stockpiling rice from domestic production.

So stated Bustanil Arifin, deputy minister for cooperatives/head of Bulog, Monday during opening ceremonies at the PPK (Services Center for Cooperatives) building in Cilacap, Central Java.

According to the Central Bureau of Statistics (calculations on paper), Indonesian rice production for 1981 totals 22.6 million tons, said the head of Bulog. But Arifin is certain production will be greater than that, possibly exceeding 23 million tons.

One of the indications for this is the very small number of rice sales from Bulog. In past years sales throughout Indonesia through November came to 200,000 tons, but this year 60,000 tons were sold. For example, 2 years ago in Central Java in the months of November and December 15,000 tons of rice were gone in 2 days. But from 1 April till now only 15,000 tons have been sold. Once Jakarta used up 7,000 tons of Bulog rice per day, but now only 700 tons a day are used. This means the general public has quite a lot of rice, so that people don't have a need for Bulog's sales operations.

For the nth time, therefore, Bustanil Arifin is asking farmers and the Rural Unit Cooperatives (KUD) to sell their yield more in the form of unhulled than hulled rice. "If possible, 75 percent unhulled rice and 25 percent hulled. If not, then 50 percent of each," he said.

With the increase in the basic price of dry, mill-ready unhulled rice, which the cooperatives purchase from farmers for 120 to 135 rupiahs per kilogram, the price for hulled and unhulled rice Bulog purchases from KUD and non-KUD also increased. Bulog's purchases of unhulled rice from KUD rose from 128 to 146 rupiahs per kilogram, while hulled rice purchases also rose from 195 to 214 rupiahs per kilogram. Moreover, unhulled rice purchases from non-KUD rose from 123.50 to 139.50 per kilogram, while hulled rice purchases increased from 191 to 210.50 rupiahs per kilogram.

Afirin said that the increases were made in order that more unhulled rice is sold to Bulog than hulled rice, so that it can be stored in the rice barns for a longer period of time.

Furthermore, the deputy minister for cooperatives said that with price increases in effect in January, 1982, the cooperatives' profit margin will rise to 11 rupiahs per kilogram. Of that sum, 6 rupiahs is set aside for KUD activities, while the other 5 rupiahs must be saved in the special fund, as is currently done. Initially the increment saved in the special fund was only 1.5 rupiahs per kilogram.

Arifin also disclosed that, different from past practice this year, part of the special fund may now be used. Without mentioning a specific sum, he said that of course part of the fund must still be stored in the local People's Bank of Indonesia (BRI), but the rest is to be used for investment, namely to finance purchases of manufacturing or industrial stocks.

Through their various activities the Rural Unit Cooperatives overall will have funds totaling 60 or even 100 billion rupiahs by the end of the 3rd Five-Year Development Plan, according to the deputy minister. "In that way it will not be necessary for cooperatives to beg at the bank or to make a fuss about slow credit."

9792

CSO: 4213/30

RESENTMENT REPORTED AFTER ALLEGED 'DESECRATION'

Karachi DAWN in English 23 Feb 82 p 12

[Text]

LAHORE, Feb 22: People from all walks of life today expressed their strong condemnation, resentment and indignation over the crude attempt to use the Holy Quran by anti-State elements for the attainment of their nefarious designs.

They gave vent to their feelings by issuing statements and making telephone calls to the newspaper offices. They thronged the mosques for "Nawafil" and prayers seeking forgiveness of Almighty Allah for the whole nation.

The desecration act was the talk of the town as it was the main topic which remained under discussion. They talked about the unholy incident in their houses, streets and offices with grim faces as never in the history of Islam even a non-Muslim had ever dared to indulge in such sacrilegious act.

Religious leaders, ex-politicians and people from different professions, while condemning the wanton act, demanded severest punishment for the criminals and anti-Pakistan elements and their supporters for this heinous crime, and said they should be shown no leniency.

A prominent religious leader, Maulana Hafiz Abdul Qadir Ropri, said that the news of the desecration of the Holy Book had come as a shock to all. He could not even think that a

Muslim could dare to indulge in such an unholy act. He said it

was the first attempt of its kind in the Islamic history. He demanded exemplary punishment for the criminals.

PESHAWAR

In Peshawar, students of different colleges took out processions to protest against this sacrilegious act on the part of the anti-State elements.

Business centres in and around the historical Chowk Yadgar remained closed today to express resentment against this heinous act. Shopkeepers in Qissa Khwani Bazar and Khyber Bazar also kept their shops closed till noon today.

Similar processions were also taken out by college and school students in Bannu to express their indignation over the desecration of the Holy Quran. A big meeting held at the culmination of the processions at Chowk Bazar, demanded severe punishment for the culprits. Cinema houses also remained closed in Bannu.

Mr Saeed Ahmed Jan, Mayor of Peshawar Municipal Corporation, has demanded that the elements, responsible for this heinous act and those who had planned it, should be exposed.

The Sarada and Bargar Association, Peshawar, also condemned the attempt to use the Holy Quran for terrorist activities.

KARACHI

In Karachi, the Istikhdam-i-Pakistan Council condemned the desecration of the Holy Quran.

A Press release of the Council said that a high-level meeting, presided over by Mr Zahoor-ul-Hasan Bhopali, and attended by its central and provincial office-bearers, adopted a resolution condemning attempts to desecrate the Holy Book for nefarious designs.

The resolution said that foreign-trained saboteurs and explosives were being smuggled into Pakistan to subvert peace within the country.

The resolution said that the incident should serve as an eye-opener to the politicians who should now realise that the policy of confrontation would benefit none but the saboteurs.

Istikhdam-i-Pakistan Council will hold a meeting in the premises of Bunyadi Masjid, Jacob Lines, today at 4 p.m. to condemn the sacrilegious act.

The convenor of the Patriotic Front, Sheikh Liaquat Hussain, also sharply condemned the conspiracy of the foreign agents to use the Holy Quran as a lobby-trap, and demanded exemplary punishment for the culprits.

QUETTA

In Quetta, the Adviser to the President for Religious Affairs, Maulana Abdullah Khilji, condemned the shameful attempt to use the Holy Quran for nefarious designs.—APP/FP1

PNP, NDP HAVE 'IDENTITY OF APPROACH' TOWARD AUTONOMY

Karachi DAWN in English 23 Feb 82 p 1

[Text]

Mr Ghous Bakht Khan, the defunct PNP and Sardar Sherhas Masari's defunct NDP have, for the first time, arrived at an "identity of approach" towards the question of provincial autonomy.

The defunct NDP's Central Information Secretary, Mr Abid Zuberi, flew out to Mahan on Sunday for a working lunch hosted for him by the defunct PNP's Secretary-General, Mr Kaswar Qardani. During prolonged discussions it was agreed that quantum and safeguards were two aspects of the question of provincial autonomy which should not get mixed up, and be treated separately.

In the context of safeguards for the rights of provinces, it was noted that the rights given to the smaller provinces in the 1973 Constitution had been violated and, therefore, it was now necessary to give a firm guarantee about the inviolability of provincial autonomy.

The two leaders agreed that safeguards for provincial autonomy were both in the interests

of smaller as well as larger provinces. For instance, it was pointed out that in the Punjab as elsewhere, the Local Bodies were not authorised to appoint even a peon or to transfer a headmaster.

As for the quantum of provincial autonomy, it was noted that the 10-year period provided for in the 1973 Constitution was to expire on Aug 14, 1982. Accordingly, it would be for the newly elected Parliament to reopen the question of the distribution of powers between the Federation and the federating units. In that context, the three lists — Central, Provincial and Concurrent — could be revised to apportion, if necessary, some more subjects to the provinces.

Mr Zuberi returned to Karachi on Monday after having talks with the defunct PDP's Mr Arshad Chaudhry and the defunct JUI's Maulana Fazlur Rahman. With the latter, it was agreed that the provisions about the Islamisation of laws in the 1973 Constitution should be expedited by a future elected legislature.

CSO: 4220/274

PUNJAB LOCAL COUNCILS RULES EXPLAINED

Karachi MORNING NEWS in English 22 Feb 82 p 3

[Excerpt]

LAHORE, Feb 21: The recent amendment in the Punjab Local Councils (Conduct of Members) Rules 1981 is not in conflict with the existing rules on the subject and places no bar on healthy and constructive criticism, said a Press Note issued here yesterday. Identical rules, it added, are already in force elsewhere.

As envisaged in the Punjab Local Government Ordinance 1979, so long as the elected representatives do not indulge in politics and such collective acts, which are detrimental to the very existence and well-being of the institution, there is no bar or restriction on healthy and constructive criticism or making positive and constructive suggestions for the improvement of the functioning of Local Bodies and administration, and the members are free to do so, the Press Note said.

This, according to the Press Note has been amply demonstrated at the meetings of these bodies at various levels including the Provincial Council where the entire Government down to Commissioners level, were made to face and answer

the scathing criticism by various members without any rancour or malice in full view of the media and public in galleries. As is well known, on occasions the criticism was unwarranted. The Government is determined to continue this practice and encourage any healthy and constructive criticism. This should remove any misunderstanding that might have been created by the way the amendment is being projected by a section of the Press.

The Press Note said: "Considering that the institution was revived after about two decades, the working of the local bodies has been a great success. However, for sometime past the Government had been noticing the growing tendency among some elected members of these bodies to involve themselves in factionalism resulting in 'party-bait' and mud-slinging. It will be recalled that the elections to the Local Bodies were held on non-party and non-political basis. The object was, and remains, that the elected representatives, instead of involving themselves in party politics and destructive criticism, within themselves and of others,

should concentrate more on their primary role and responsibility of serving the people at various tiers, and help the Government in formulation and execution of various development projects and schemes aimed at the welfare of the people, irrespective of any party affiliations and loyalties.

It was stressed and again that they could serve the people better by avoiding verbiage and factionalism.

"There is no gain-saying that some such elements were spreading the germ of forming an association with a motive and the sole aim of projecting themselves and making a show of strength for personal ends outside their sphere of basic functions. Some local councils had even started passing resolutions of a political nature having no bearing on local affairs and thus impeding and slowing down of pace of progress of the local bodies. It had, therefore, become necessary in their own interest and in the larger interests of the Local Government system to further stress the rules of conduct for the members of these bodies."

NEW PACT WITH EEC SOUGHT

Karachi DAWN in English 21 Feb 82 p 1

[Article by Shadaba Islam]

[Text] Brussels, Feb 20--Pakistan and the European Community (EEC) are expected to start formal negotiations for a new and wider-ranging co-operation agreement in Brussels early in April. Informal discussions on possible contents of the new trade and economic co-operation pact have already begun here, according to EEC sources.

Pakistan's interest in stepping up trade and economic ties with the 10 EEC countries was conveyed to the Community authorities at a series of meetings held in Islamabad in autumn last year. Among other things, Pakistan is expected to stress the importance of economic co-operation with emphasis on EEC investments and joint EEC-Pakistan funding for development projects and industrial ventures.

The first high-level exploratory discussions on the scope and contents of the proposed pact will be held here on March 23--same time as the EEC-Pakistan Joint Committee set up under the pact signed in 1964 meets.

The EEC Commission will then send formal proposals calling for the opening of negotiations with Pakistan to the 10 EEC Ministers for Foreign Affairs.

The decision to upgrade ties with Pakistan is part of the Commission's new drive to improve links with Asian and Latin American States, EEC aid and the development policy has to date focused almost exclusively on developing ties with the African, Caribbean and Pacific (ACP) member-States of the Lome Convention.

The first country to benefit from the Community's new interest in Asia is India which signed a wide-ranging new agreement with the EEC last year. Other Asian countries, including Bangladesh and Sri Lanka, are also expected to call for more extensive economic contact with the EEC in the coming months.

CSO: 4220/274

LIBERALIZATION OF POLICY TO ATTRACT FOREIGN INVESTMENT REPORTED

Karachi MORNING NEWS in English 17 Feb 82 p 1

[Text]

The present Government has liberalised its policy with a view to attracting foreign capital investments in Pakistan to accelerate the pace of economic development in the country.

This was stated here yesterday by Mr Mumtaz Abdullah, Controller Capital Issues, while giving a lecture on "Capital Issues and Other Related Matters" at the Institute of Chartered Accountants of Pakistan, Southern Region.

Explaining the steps taken in this regard he quoted "the Foreign Investment (promotion and protection) Act 1978 (Act No XLII of 1978) providing protection and incentives to foreign investment in Pakistan. The incentives included relief from double taxation, facilities of remittance for maintenance and retirement

on payment of Royalty and technical fees as well as repatriation of capital and dividends.

Discussing the role and functions of the Capital Issues in Pakistan, Mr Abdullah said its primary responsibility was to ensure that investment did not take place contrary to the objectives of the five-year Economic Development Plan or flows in unproductive and wasteful channel. "Its function is also to ensure further growth of the joint stock companies with sound capital structure and to promote the expansion of healthy joint stock sector in the interest of general public", he added.

Mr Mumtaz stated private companies desirous of issuing capital beyond Rs. five million

were required to convert into public limited companies and offer 80 per cent of the shares to general public, including 30 per cent to the NIT.

He said company with foreign participation was also required to offer 30 per cent of the local capital to the general public and NIT.

He called upon the chartered accountants to help assist the Capital Issues in ensuring financial discipline and regulating the working of the corporate sector to ensure judicious use of public money.

He said Capital Issues was exercising financial check on the expenditures of the corporate companies and also to regulate remuneration and other financial benefits to managing directors and directors of corporate companies.

CSO: 4220/274

DEVELOPMENT OF BALUCHISTAN COMMENDED

Karachi DAWN in English 23 Feb 82 p 7

[Editorial: "Development of Baluchistan"]

[Text]

A RECORD amount of Rs. 2,000 crore is to be spent on special projects in Baluchistan aiming at bringing the province at par with the other regions of the country at an accelerated pace. President Mohammad Zia-ul-Haq, while referring to this special development programme in his address to the Baluchistan Councilors' Convention at Sibi the other day, said that a number of foreign countries, including Kuwait, Japan, West Germany and Canada, as well as IDA and EBC, have also agreed to participate in these special projects. The emphasis rightly is on the development of basic resources, so that the province could become economically self-sufficient in the long run. On completion, these projects will give a fillip to the overall socio-economic progress in the province. As part of its drive to accelerate the pace of development, the Government has increased its allocations for the province substantially by spending Rs. 571 crore during the last four-and-a-half years on development, as against Rs. 284 crore spent during 1971-76. Reports indicate that unlike in the past, development funds are

now being spent more wisely, with the result that the benefits appear to be visible in several cases.

The Rs. 2,000 crore development plan is spread over a period of from five to six years and is to be completed in phases. The participation of friendly countries in the plan will remove the problem of foreign resource constraints to a great extent. Kuwait has allocated Rs. 40 crore for water supply schemes of Quetta and Gdani, electrification of another 100 villages and 40 small irrigation schemes. EBC and IDA are also providing funds for small irrigation schemes for Kachhi area and four different valleys. A pipeline is being laid from gas fields to Quetta to supply gas to this area and will be operational by the end of the year. A study of the projects on hand reveals that priority has been given to development of water and power resources, roads, agriculture, and education. Two new road links with the NWFP and Punjab are being developed. These will open up alternative communication links to other regions, facilitating promotion of busi-

ness, commerce and development. As President Zia noted, peaceful conditions are largely responsible for the present scale of developmental work.

Baluchistan is easily the least developed area of the country. But it is richly endowed with resources, and once the infrastructure becomes available and the level of skills of the population is raised, the pace of its progress can be quickened very considerably. In the effort that is currently being made to reduce disparity between Baluchistan and the better placed regions of the country, special attention will have to be devoted to the need for enlisting the active participation of the people. This mobilisation will help reduce graft and corruption and improve the quality of development. Our bureaucracy, it must be confessed, is not particularly conditioned to work in a manner which elicits popular sympathy and cooperation. Officials should be told to change their ways and approach. They must be told to adopt a style of work and a strategy which will help draw the people into the developmental effort.

DEVELOPMENT EFFORTS LAUDED BY UK CONSUL

Karachi DAWN in English 23 Feb 82 p 12

[Text]

The British Consul-General in Karachi Mr G. L. Simons said on Monday evening that "awful lot of humbug has been spoken and written about Pakistan. Its origins, its identity, its objectives," and observed that "Pakistan's friends can do much to help in correcting this."

Mr Simons who is leaving for Montreal after serving 30 years in the subcontinent said at English Speaking Union of Pakistan's farewell reception that he will "put a deeper perspective to any discussion of Pakistan which I may have after I leave here."

Since its birth, he said, Pakistan has undergone enormous difficulties and misfortunes and hoped that all Pakistan's friends will share in the hope that a final and lasting solution will be found which will command the consent and support of the nation in overwhelming measure.

On the Afghanistan issue, he said: "One must recognise and applaud the help and welcome Pakistan has given to co-religionists who have been obliged to leave their homeland as refugees."

"The very great part that Pakistan is playing in herself

carrying the burden deserves more recognition", he said.

Referring to the recent Indo-Pakistan dialogue Mr Simons said: "I see them as an indication of a new maturity on both sides, a coming of age, the hallmark of complete independence."

"In the nature of things there may be no sudden breakthrough, the caution itself is an indicator of the immense importance of this development, not just for the immediate present, but for the long term future."

Mr. Simons said he was concerned with negotiations in New Delhi which resulted in the eventual release of Pakistani and Indian ships and also cargo detained in the ports of both countries as a consequence of 1965 war.

Earlier, Mr. A. R. Cornelius, former Chief Justice of Pakistan who is the President of the ESU, in his remarks said that a branch of the Union has been opened in Lahore with Mr. G. Muenuddin, a former civil servant, as Secretary.

He said, another branch is planned for Islamabad "where it is most needed."

Mr. Ahmed E. H. Jaffar, presented a note of thanks.

CSO: 4420/274

EXPORT POTENTIAL OF READYMADE GARMENTS LAUDED

Karachi DAWN in English 22 Feb 82 p 4

[Editorial: "Industry With a Vast Export Potential"]

[Text] The readymade garment industry which ranks among the largest consumer goods industries in the world, is still in its infancy in Pakistan. The consumption of the products of this industry is high in almost all the countries. It is operating on a basically small and unorganised scale with, of course, a sprinkling of a few large units in the organised sector. Besides being more labour-intensive, it is basically a small-scale industry. There is a vast scope for this industry if developed on proper lines. It will bring in much more added value to our valuable raw cotton. Already the industry is playing a vital role by earning a substantial amount of foreign exchange through exports.

Inaugurating the four-day garment machinery exhibition the other day, Sind Information and Health Minister Syed Ahad Yousuf called upon the garment exporters to exploit and harness the rich potential available in Pakistan by raising the quality of their products and making them more competitive in the world export market. He said hand-made garments of Sind, Punjab and the NWFP were widely appreciated all over the world and they had ready market in the United States and other countries. In a country like Pakistan having cotton based economy, there is a great scope for expansion of the garment industry and increased exports. But the industry in the country is faced with various problems although many of them have been solved and some are still under the active consideration of the authorities concerned.

When the industry has the potential to increase its exports, it deserves all possible reliefs and concessions possible under the circumstances. Its growth potential can be judged by the huge foreign demand for our readymade garments. In the USA alone there is a demand for Rs. 68,000 crore worth of garments. While Pakistan has all the raw materials available Hong Kong has to import them. Also Pakistan is not governed by quota restrictions still our exports are lagging far behind. As against Hong Kong's exports to the tune of Rs. 5,000 crore, our exports are worth only Rs. 74 crore.

Syed Ahad Yousuf has rightly pointed out that the readymade garment exporters should give special attention to quality control by using modern machineries which are now available in the country. The industry should make concerted efforts to boost up the exports and for that our garments should be in a position to compete in the world market, both quality and price-wise. Not only should the quality be of international standard, the manufacturing cost should also be as low as possible. There is also a general tendency among our traders that the delivery time is not adhered to. All this is important for the successful operation and growth of the industry. This would also enable our industry to compete in the international market. It is hoped the industry would take advantage of the facilities and incentives now being made available under the present regime and play its rightful role in the economic development of the country.

CSO: 4220/274

COTTON PRODUCTION TARGET FOR 1982-83

Karachi DAWN in English 21 Feb 82 p 1

[Text]

Pakistan has set the 1982-83 season's cotton production target at 4.6 million bales—against the record 4.4 million bales likely to be reached this year, it was officially announced on Saturday.

The target would be reached without adding the acreage, the special general meeting of the Pakistan Central Cotton Committee resolved. Instead, it would be through measures to increase per acre yield.

While Punjab has been given the target to produce 3.17 million bales, Sind would produce 1.43 million bales.

The last year's acreage of 2.16 million hectares will be apportioned between Punjab (1.56 million hectares) and Sind 0.6 million hectares).

The new targets have been prescribed after "reviewing the achievements of 1981-82 and examining the possibility of increasing supplies of various inputs during 1982-83", a press release of the PCCC said.

During the review, the meeting which was inaugurated by the Federal Minister for Food and Agriculture, Vice-Admiral Mohammad Fazil Janjua, noted that "while plant population in Sind was adequate, it was much less in the Punjab".

It felt that the "low plant density in the Punjab was mainly due to low seed rate" and recommended that efforts should be made to induce farmers to apply at least 10 kgs per acre.

If the recommended quantity is applied, seed requirements in the Punjab would increase by about 60 per cent, the meeting noted.

In so far as the pesticide factor was concerned, the meeting felt that "through good plant protection arrangements and adequate spraying campaign, the output would increase by 25 per cent."

In his inaugural address, the Minister who is also the President of the PCCC referred to the expected crop of 4.4 million bales this year saying that it would be a record and will represent the third successive bumper crop, besides signifying a five per cent increase in yield per acre over the previous year.

However, being still "much below the world average", Vice-Admiral Janjua laid great emphasis on increasing per acre yield through judicious use of inputs.

This has been the aim of the government policies, he said adding that the host of steps taken so far had produced encouraging results.

Among other things, he said, the government had taken steps to take the producers and users of cotton into confidence on the "modalities for improving the policy framework".

Besides officials of the federal and the provincial governments, the meeting was also attended by growers, ginner, spinners and the Cotton Export Corporation representatives.

EDITORIAL HITS PREM INDECISIVENESS

Bangkok SIAM MAI in Thai 16 Jan 82 p 7

[Editorial: "A Lesson For General Prem"]

[Text] A few days ago, General Prem told a person close to him that he now feels very isolated. The thing that the prime minister needs at present is a friend who can talk to him and give him suggestions about what would be good for the administration of the country, which General Prem is now responsible for.

It is General Prem's deep feeling that he has not been treated fairly by various groups, especially by the mass media. Because, General Prem Tinsulanon's popularity with the people and mass media has fallen greatly between the time that he became prime minister and formed the first Prem government. This has happened even though the personality of General Prem has remained unchanged and he is still "papa" to everyone like before. This is General Prem's deep feeling of isolation at present.

The thing that all national leaders like General Prem must bear in mind now is that making decisions based on reality is not the same as making decisions based on emotions. The reality at present is that the military is now divided into different factions; there is no unity in the military and it must join together to form one group with the real power of the Thai army. Politically, there is worrisome turmoil in the political parties that form the government and increasing agitation among the senators, who are ready to split away any minute now. As for economic problems, prices for agricultural products have fallen. Guaranteeing rice prices has not achieved the results desired. Export goods cannot be sold on world markets. Concerning making innovations in many new industrial projects, decisions have not been made and things have come to a halt.

All the problems that have arisen are waiting to be solved. They are waiting for resolute and responsible decisions by the country's leaders, such as General Prem Tinsulanon. The problems are mounting each day. The feeling that General Prem has is definitely related to these problems.

While General Prem Tinsulanon was brave enough to take responsibility for governing the country he is not brave enough to solve [the problems]. This

is the great mistake that is causing trouble for the people of the country. And General Prem has made a great mistake in [trying to] destroy the forces of the other groups or institutions, such as the Social Action Party and the Prachatipat Party, that are trying to solve the nation's problems, just because he feels that they are a threat to his popularity and power base.

The result is that all the harmful things that are occurring now are falling on the Thai people, who cannot free themselves from backwardness, and making things more difficult for the next person who will take over the administration of the country. General Prem became popular as the people's favorite and as the honest servant by listening to the troubles of the villagers in the Second Army Area while other generals did not given any attention to these problems, by suppressing corruption and the destruction of the forests and by proposing that lists of the influential people in the various provinces be made. It was also General Prem who began ordering that illegal actions by local publishers be investigated.

But everything was left to fate when General Prem actually became prime minister.

It is time for General Prem to take stock of himself and quickly do something by making greater sacrifices for the people before he is labeled a despot.

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CSO: 4207/55

MORE QUESTIONS RAISED ON MOTIVES FOR BAN HIN TAEK RAID

Editorial Comment

Bangkok SIAM RAT SAPPADA WICHAN in Thai 31 Jan 82 p 2

[Editorial: "Foreign Armed Forces In Thailand"]

[Text] Last week, border patrol police sent forces to wipe out the armed forces of Khun Sa, or Chang Si Fu, who has been called the narcotics kingpin of the world, at Ban Hin Taek in Mae Chan District, Chiang Rai Province. This operation commenced on 21 January.

General Prachuap Suntharangkun, the deputy prime minister, and Police General Suraphon Chunlaphram, the director-general of the Police Department, together with several other high-ranking police officers, together told reporters about why the government had to carry out this operation to wipe out the forces of Khun Sa at Ban Hin Taek. They said that this was necessary because these forces threaten Thailand's sovereignty and they are engaged in producing and selling narcotics, which is destroying the stability and security of the nation. In addition, they affirmed that this suppression drive was not related to the visit to Thailand by members of the United States House of Representatives or that they had been pressured or encouraged by the United States.

Concerning the foreign armed forces that have entered Thailand, particularly in the area bordering Burma, in reality there are several groups because the border between Thailand and Burma is approximately 2,000 kilometers long and there are more than 70 crossing points. In addition, the complex jungle and mountain terrain has made it easier for the minority groups in Burma to secretly enter the country and form armed forces. However, of these various foreign armed forces, it can be said that only two have great influence or forces and weapons. These are the Shan national liberation group of Khun Sa and the KMT forces of the 93rd Division.

Both of these groups, or armed forces, are engaged in the same business, that is, producing, selling and transporting opium. Thus, the members of both groups have claimed the northern area of Thailand as their home since it is near a major opium producing area of the world in the Shan and Kokan states in the Golden Triangle. And since they are both engaged in the same business, sometimes they clash. The only thing is that the status of the

two groups is not the same. That is, the Chinese KMT soldiers have been granted the status of refugees by the government and some became Thai citizens during the time when General Kriangsak Chamanan headed the government. They have established homes at Doi Mae Salong and Doi Pha Tang. As for the Shan group of Khun Sa, they have settled down at Ban Hin Taek, which has the status of a village. This village has a village headman who was elected by the villagers and appointed by the government officials who monitor their affairs. Since the real forces of Khun Sa do not live at Ban Hin Taek, it is probably just the home of the Shan families or a temporary rest point for the Shan armed forces. There is a small force of border patrol police stationed there and administrative officials make periodic visits to inspect things.

Concerning this attack on Ban Hin Taek, it is worth noting that Khun Sa was not captured, or good information was not gathered ahead of time. The only things found were weapons and war materials. No opium or other narcotics were found. Thus, the expectation that this suppression drive would reduce opium production was wrong.

We feel that suppression drives to wipe out foreign armed forces that have established homes in Thailand are legal operations that should be supported, regardless of whether these forces pose a direct or indirect threat to the security of the country. But at the same time, similar action should be taken against all the foreign armed forces. Otherwise, some people may mistakenly think that the government, or some powerful people, are involved with some of the armed groups and do not want to suppress them.

Further Comment

Bangkok SIAM RAT SAPPADA WICHAN in Thai 31 Jan 82 p 48

[Last Page column]

[Text] "I don't know why a suppression drive was not carried on before. We want them to leave the country," answered General Prem Tinsulanon, the prime minister, when a reporter asked him "why have we tried to suppress Khun Sa just now when he has lived here for a long time?" "He knows what we want. If he wants to liberate a country, let him do so outside our country... let him do so somewhere else," added the prime minister when a reporter asked whether or not we would "ask for cooperation from Burma."

The question of why we have carried on a suppression drive at this particular time is a question that is in the minds of the people too. There were reports that the government was trying to suppress Khun Sa, or Chang Si Fu, and there was a clash. Sixteen border patrol police officials were killed and 45 wounded in the clash. As for Khun Sa's side, at least 32 are known to have been killed. Khun Sa himself managed to escape, which is normal for the "big shots."

Yes. Why was the suppression drive carried on just now? Why wasn't this done before? Is there something behind this? These are the questions of the people,

including myself, who do not have detailed knowledge about this.

But it is not right to blame the government for not knowing what is happening because it would be terrible if [the government] was not aware of the fact that large forces equipped with large numbers of modern weapons are in our country. The evidence that shows that the government is aware of this is that the Narcotics Control Board has stated that Khun Sa is an important figure in the production of heroin and that he is an international trafficker, in addition to his other crimes.

As stated, their main occupation is heroin trafficking. The claim that they are engaged in [a war of] national liberation is not reasonable. Even if they were engaged in national liberation, why do they have to station forces in our country? If they want to liberate something, let them do it elsewhere, as the prime minister correctly pointed out.

This is probably not just a matter of (Shan) national liberation or narcotics trafficking alone. There was unquestionably a matter of politics involved also and it is the government that knows about this. Otherwise, suppression would have been completed a long time ago. "Khun Sa had great foresight. He adapted himself to the situation and joined the Shans in order to rely on these forces to make profits for himself. At Ban Hin Taek, if our officials want to go there, they must first hand over their weapons. This is a great violation of our sovereignty. Thus, it is fitting that the government has a resolute suppression policy this time," stated Police Colonel Thongun Charoensom, the commander of the Region 6 Border Patrol Police.

Another question is why previous governments did not have a suppression policy and why they ignored matters to the point where Khun Sa's forces were able to grow very large and form an intricate network. They have boldly announced that they will immediately oppose the present government when suppression drives are mounted. And they attacked the Mae Sai police station at the Mae Sai District market in Chiang Rai Province. One policeman and five innocent bystanders were killed. Since his forces fled in the wake of the suppression campaign, how bold will Khun Sa be now?

If he was just an ordinary heroin trafficker and did not have such a broad network, one that reaches throughout the world, his boldness would not have reached the point of becoming news like this. Ordinary heroin traffickers do not want to clash with suppression forces, or the government's forces. The only thing they try to do is escape so that they can continue to carry on their illegal activities.

As for whether there was anything evil about this matter, it must be admitted that this was not an ordinary matter and that there must have been something in back of this for a long time. There must have been national or international interests in back of this. That is, politics was certainly involved in this.

As for the reward for the capture of Khun Sa, or Chang Si Pu, a Haw Chinese of Burmese origin, the Thai government has set the reward at 500,000 baht. But to raise forces to carry on this resolute suppression drive, the government had to spend millions of baht and sacrifice the lives of police officials and the wealth of the nation. It does not seem like it was worth the cost to send so many forces and weapons to carry on this suppression drive. It was like riding an elephant to suppress a grasshopper.

In reality, if complex political matters were not involved and it was desired to settle things with Khun Sa, there is a sure way to dispose of him alone. Everything would then be fine. I do not know how the suppression officials think. It is probably possible to use a method like in the movies, that is, by sending in an expert to dispose of him quietly.

Well-informed persons have confirmed that this is possible because Khun Sa does not live just at the border or at Ban Nin Taek. He travels to many places and there have been news reports that he has a house in Chiang Mai and even one in Bangkok. It should be within our government's capabilities to dispose of him by infiltrating an agent or establishing an investigative network.

As said, this is a very complex matter, and I feel that it is a national matter, a national political matter. The important people in the country certainly know the facts and what is behind this. The only thing is whether or not they will tell us.

It is difficult to suppress the heroin traffickers. Lao Su, for example, was once captured and put in prison but he still managed to escape. What more can be done?

The best thing at present would be for the government to answer the people's question of "why has a suppression drive been mounted just now." The villagers would like to know.

Because, everything in this country is mysterious and complex. It is sad and strange that the government has had to spend so much money and sacrifice so many lives to suppress these people.

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DISSATISFACTION EXPRESSED OVER 'REDEYE' MISSILE

Bangkok SETTAKIT in Thai 19 Jan 82 pp 11-12

[Article: "The Scrap 'Redeye' Missile"]

[Text] Finally, after much discussion, the United States has agreed to sell redeye missiles to Thailand -- after more than 3 years of negotiations.

Weakness -- Easily Fooled

The redeye missile is a "ground-to-air" type missile. It is considered to be as efficient as the Soviet-built Sam-6 missiles that are in use in Vietnam and Kampuchea.

This missile is fired from the shoulder and is used to shoot down low-flying aircraft. After it has been fired, it must be thrown away since it cannot be reused. Its effective range is only 3 kilometers.

The guidance system of the redeye is a weakness that has been mentioned often. It uses a heat-seeking system that uses infrared for guidance. "This makes it easy for enemy aircraft to fool this missile and keep it from finding the target. This is because after this missile has been fired, the enemy aircraft can fire a hot flare and this causes the missile to go off target toward the flare. Thus, a missile is spent to no effect," stated an air force engineer.

"Sometimes, aircraft may fly into the sun and this causes this missile to fly into the direction of the sun."

An American Trick -- Sell Old Items

The United States, which produces this type of missile, began doing research [on it] in 1958 and completed things 3 years later. Thailand submitted a request through Major General Wichit Sukhamak, the present commander of the military academy who was then the assistant army attache in Washington. "But the United States constantly refused and equivocated."

Finally, this weakness of the redeye missile was corrected and, in the end, a new model of the redeye type guided missile, called the "Stinger," was put into production and placed in the arsenal of the United States forces.

The "stinger" is a missile that was developed from the redevye. In particular, the redevye's guidance system, which still has great efficiency problems, was improved. The "stinger" uses a hydrolic guidance system and there is a computer system in the missile. There is "no way to fool this missile" and it can be said that "if fired properly, it will hit the target." It has an effective range of 5 kilometers.

Thailand asked to purchase this missile from the United States but it was turned down.

At the end of 1981, General Prem Tinsulanon, the prime minister, went and held discussions with President Reagan. The result was that President Reagan agreed to sell redevye missiles to Thailand.

At present the United States is fazing out this missile.

The Thai Army Never Learns the Lessons

Redeye missiles cost approximately 200,000 baht each and it cannot be guaranteed that each missile will hit its target. "If one misses, it is the same as if we had burned 200,000 baht for nothing."

At a time when the Soviet Union is pouring in modern weapons and war materials into Vietnam free of charge, Thailand is having to purchase "inefficient" weapons from its "friend" the United States at a high price.

While Thailand's economic crisis has about reached the point where the country is bankrupt and the people are experiencing problems with the high cost of living, with the national income not increasing at all, a weapon whose efficiency cannot be guaranteed and which the producer itself is fazing out of use is being purchased for use in Thailand.

Regardless of whether it is the matter of the M14 tank, the Bell helicopter, the Nomad aircraft or, clearest of all, the F5 aircraft, the Royal Thai Army has never learned its lessons or made use of them. And now it is the turn of the redevye missile-- a scrap missile.

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ECONOMIC, POLITICAL DYNAMICS OF KAMPUCHEAN BORDER TRADE ANALYZED

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[Article: "The Black Market, Stop 'Soldiers'"]

[Text] The coldness that pierced the red sweater being worn during the trip from Prachinburi City to Aranyaprathet District that night did not cause an outsider such as "Chaturat" to feel afraid. But for the people of Prachinburi, especially for those who live in Aranyaprathet, Wattana Nakhon and Taphraya, regardless of whether it is the middle of the night or the middle of the day and regardless of whether the day is dark or bright, it is as if they have fallen under a "dark shadow" that is both dark and cold.

"Things are like this. Things are very difficult. Its as if the people of Taphraya are suffering retribution," said Prachinburi MP Sanoh Thienthong to Chaturat concerning the present situation of the people living along the border, particularly those in Taphraya. Regardless of who has won or who has lost in Kampuchea, the people of Taphraya have never been able to avoid the trouble. Concerning the struggle along the border and the clashes, especially with the Khmer Rouge during the past 10 years, besides creating the "hero of Taphraya," Colonel Prachak Sawangchit, a "young Turk," these things have also led to the formation of masses along the border to strengthen the "nation's fence." Since the military could not handle all the clashes that were occurring, it was the villagers who raised a hue and cry and joined forces to fight and oppose [the enemy]," said another influential person from Taphraya to Chaturat. Certainly, in such a complex situation in which there was general disunity and people were trying to save themselves, no one wanted to expose himself and become a "target," this person included. And this was not just in Taphraya. The people in other border districts also felt that they had a part to play in defending the border along with the military. The masses were interested in the military's border clashes with foreign troops. "Previously, if a soldier was killed, long lines of people went and offered blessings and they did not have to be invited. But now, [the funerals] are lonely affairs." Previously, much blood was donated for the soldiers but now it is difficult to get people to donate. There is something causing this situation here.

Concerning this estrangement between the masses and the soldiers who are responsible in that area, all sources agree that this stems from the "black market" problem.

Originally, the black market was a normal market that started operating between the people living along the border of the two countries at a time when relations between the countries were still good. There was no trouble. But when relations were severed, cutting off contact -- especially border trade -- became a "tactical" necessity in the military struggle. "Even though this made things difficult, this had to be done for security reasons." This is the view of General Athit Kamlangek, the commanding general of the First Army Area.

The black market is a major source of profits. Originally when things were sold naturally, people could make a living. But when Kampuchea fell after Pol Pot was driven out, Kampuchea became like an immense market with overwhelming needs, not just for a few types of goods but for all the things that were scarce during the war. On the black market, 200 million baht changed hands every day during that period. This resulted in the banks in Aranyaprathet holding the second largest savings deposits in the country. "When there is demand, there must be supply," said a CHATURAT news source at the border before adding that "as for the people along the border, the black market trade is the only way to survive. There are few big investors and the really big investors came from other provinces."

Most of the investors from other provinces referred to above come from Bangkok, Chonburi and Kanchannaburi, the home of the 9th Division. In addition, there are fortune hunters from various parts of the country.

In the beginning, black market trading was "free style," with whoever wanting to trade doing so. Disorder and fighting for profits broke out, both among the Thai merchants themselves and among the Khmer Seri "agents" who caused disorder at the border trading points. Later on this disorder spread when government officials tried to go in and establish order in trading. But unthinkingly intererring with profits resulted in [soldiers] "going in and making profits themselves." This is the conclusion of a person whom Chaturat met after having coffee this morning at the Aranyaprathet market. We were able to talk freely together because another person had acted as guarantor. Because of the present situation in Aranyaprathet and in nearby border districts in which there are people from many sectors besides the military working there, it is difficult to know who is who and who can be trusted.

When it looked like things would get out of hand, the military came in and established martial law and handled things in accord with the Border Goods Control Decree of 1981 and the Communist Activities Suppression Act of 1952. People entering or leaving these border districts were checked carefully. People travelling in passenger vehicles had to get out while armed military officials arbitrarily made inspections by relying on the Border Goods Control Decree. "The decree that was used was good. But things had to be left to the discretion of the officials. We wanted to stop investors. But the investors escaped because they knew the law. But what could ordinary people do? Sometimes, I felt very bad about arresting people," said a public security officer to Chaturat just before the start of curfew at a place only 2-3 kilometers from Thai-Kampuchean kilometer stake 32. Another question was how knowledgeable

of the policies are the "junior" level officials. "Soldiers who have some awareness should be used because this will be beneficial. I do not want to punish any 'junior' officers," added this person.

At present, strict searches are being carried out by "junior" personnel of the 9th Division, which is the division with the power to control this border area. Major General Somkhit Chongphayuha, the commander of the 9th Division, is the person who is acting "border goods control director." The villagers are suffering greater hardships. "Concerning taking in goods, whether or not things get stricter depends on the inspectors. This has caused market shortages and prices have increased. For example, in Taphraya the cost of living has tripled. And this does not mean that there are goods. There are few goods. At these markets, sometimes only dried plants are left. Only black coffee is drunk because there is no milk," said villagers from Taphraya District sadly. Such people have enough to eat but for the villagers who must struggle to find enough food and who have experienced trouble, their troubles are becoming much worse. This year, agricultural production in this border area fell. As for making charcoal, one of the main occupations of the people of Taphraya, they cannot engage in this as they once did. Just as they were starting to do well, they had to stop. And what is more, while villagers who try to smuggle goods to the border, travelling through the forests from midnight to dawn or hurriedly sneaking along the edges of the forests where there are no checkpoints in order to avoid having to pay the "checkpoint pass fee," are punished severely, a group of people known as "investors" have been able to pass through easily with 10 to 100 times the amount of goods as that "carried" by the villagers. This is something that cannot be concealed from the villagers in that area. And for them this is a painful matter and a deep wedge.

"Its like this. If a military vehicle gets stuck in the mud where the villagers are working in the fields previously they would have hurried to help but now, if its stuck its stuck." And for people who once took up arms to fight the foreign troops there, their feeling now is that "this is not my business." There is increased reaction to this estrangement. "The conflicts between the officials and the villagers have arisen because of injustice. While officials are strict with the villagers, 10-wheeled trucks are allowed to pass. This is not a matter of policy but a matter of influence," said the same public security official.

The difficulties of the villagers and the conflicts between the military officials and the people can be seen clearly. In Aranyaprathet District, fear and dissatisfaction have been expressed openly. The shops are quiet. In the drugstores, the large cabinets that were once full of medicine are empty and small cabinets are enough to hold the 5,000 pills allowed. There are complaints everywhere about the movements of the military. Everyone is talking about things and what they are talking about is the trouble and hate. As for the administrative officials and even the "governor" of Prachinburi, Ari Wongaraya, who know all the facts not in the reports, they can only say that they "do not know how to help. This is a military matter."

"If you go somewhere where the light is on and just glance in, how can you know what the real problems are," said Sanoh Thienthong, a four-time MP from Prachinburi, to Chaturat at a time when the military is continually claiming that stern action must be taken before relaxing things later on. For example, they originally allowed people to have only 15 kilograms of rice per person in their possession, which is actually impossible. "The farmers harvested more rice for the rice mills than was stipulated. And in the countryside, how can they come in and purchase [rice] when they run out?" said a leading citizen of Wattana Nakhon District to Chaturat. In the end, this control on rice had to be lifted. This is just one example of "relaxing" things. But before [the officials] became aware of things and relaxed things, the "gap" between the soldiers and the people had widened, even though the commanding general of the First Army Area, General Athit Kamlangek, feels that only a few soldiers did anything wrong. The saying that "it takes only one rotten fish to spoil all the fish in the barrel" is probably true. In the eyes of the people there, soldiers are viewed "negatively."

General Athit's meeting with the people of Aranyaprathet on Friday, 8 January 1982, did not improve anything. Before he arrived at the Aranyaprathet Meng Chiea Sieng Tua J. Factory, or the Sawang Thiengtham Foundation, about 200 armed soldiers from EMS 10 came and cleared the area to maintain strict security. The 1,000 merchants and people filed into this factory peacefully. In the 30 minutes during which new military measures were read to the people, not one question was asked by the people, even though everyone there felt oppressed. "It would have been dangerous to say anything. Who would say anything? There were a lot of their people there and pictures were even taken," said one of the people who was in the J Factory conference hall that day to Chaturat. Looking into his eyes, you could see fear that could not be entirely concealed. When "General Sunday" asked "for those who agree with these measures to please clap," a few people clapped. But when he changed the question and asked people to "please raise your hand if you do not agree," not one hand went up. They can stop thinking about having an open display of ideas. For the merchants and people there "it was a terrifying atmosphere." One person observed, "wait until the middle of the night, turn the lights off and ask for those who do not agree to clap and then see how loud the clapping is."

Gold

This is not Gold, part 2, by [movie director] Chalong Phakdiwichit. Rather, we will talk about the trail of gold from Kampuchea into Thailand. Cartloads have been brought in since the fall of Phnom Penh by both the Pol Pot and Heng Samrin sides.

Concerning the exchange of gold on the black market along the Thai-Kampuchean border, the gold that was first exchanged was gold bars but that has now been exhausted and what is left is like gold leaf. Those who engage in this trade must bring their gold and exchange it for cash with "circles." These "circles" are Khmer Seri groups that act as middlemen in the exchange of black market goods at major points, that is, at Non Mak Mun, Nong Chan,

Nong Samet, Thap Siem, Nam Klieng, Ang Sila and Phnom Chat. These "circles" collect this gold and turn it over to their "bosses," who are not Kampucheans. Whether or not goods can be traded is under the control of the leaders of the Khmer circles. These "circles" deduct a percentage from both the Thai merchants and the Kampuchean people. Each [tradeing] point looks after things itself, but this policy was formulated by Son San. As for those above Son San, the units operating secretly in the border area are generally thought to be Unit 80, Unit 838 and/or Unit 506.

As for the Thai money used in the exchange of goods on the black market, the Khmer side carries at least 500 "purples" (500-baht bills) and they are all new, "run number" bills.

A Strange Split

Announcement No 1/1981 of the Administrative Division for the Control of Goods Along the Border in Prachinburi Province.

Subject: Requests for permission to possess controlled goods in excess of stipulated amounts and to take such goods into or out of the control area.

In accord with First Army Area Announcement No 1 of 7 December 1981 concerning measures for controlling goods along the Thai-Kampuchean border in Prachinburi Province, people are prohibited from having controlled items in their possession for use, for distribution or for storage in excess of the amounts stipulated. People are also prohibited from taking controlled items into or out of the control area unless they have received written permission from the director or person designated by the director in accord with articles 12 and 13 of the 1981 Decree for the Control of Goods Along the Border. The Administrative Division for the Control of Goods Along the Border has thus issued an announcement to inform [people] of the following:

1. Any person who has controlled goods in his possession for the purpose of using, selling or storing in excess of the amounts stipulated in the 7 December 1981 announcement by the First Army Area concerning measures for controlling goods along the border /must submit an appeal in accord with the form at the end of this announcement to the local district officer in order to request permission from the border goods control director. This must be done by 18 December 1981./ [In boldface]
2. After the 7 December 1981 announcement by the First Army Area on measures for controlling goods along the border has been made, if any person has controlled goods in his possession for the purpose of using, selling or storing them in excess of the amounts stipulated, he must first submit an appeal in accord with the form at the end of the announcement to the local district officer on a case by case basis in order to request permission from the border goods control director.

3. Any person who intends to take controlled goods into or out of the controlled area must first submit an appeal in accord with the form at the end of the announcement in order to request permission from the border goods control director.

4. Any person who acts contrary to this announcement will be considered to have violated the Decree for the Control of Goods Along the Border and will be subject to imprisonment for not more than 2 years or a fine of not more than 20,000 baht or both or to imprisonment for not more than 3 years or a fine of not more than 30,000 baht or both depending on the case.

The foregoing is now in effect. Issued 7 December 1981. Signed: Somkit Chongphayuha, commanding general of the 9th Division and acting director for the control of border goods.

To see if the above announcement has led to anything, please reread the passage printed in boldface in paragraph 1. This says: "must submit an appeal in accord with the form at the end of this announcement to the local district officer in order to request permission from the border goods control director. This must be done by 18 December 1981." The result was that people understood that 18 December was the last day to submit an appeal. And in accord with Thai habits, throngs of people went to submit appeals on the last day. That day, more than 200 merchants went to submit appeals in Aranyaprathet District alone.

Three days later on 21 December 1981, searches were made and goods were seized by soldiers of the 9th Division. The army claimed that all of the appeals submitted on 18 December were invalid. The army's "explanation" was that those who submitted the appeals had to have received permission from the border goods control director, that is, the commanding general of the division, by 18 December and not just have submitted them to the district officer by that date.

The searches and seizures by the military on 21 December caused confusion for more than 20 shop owners in Aranyaprathet District whose shops were searched and goods seized. Most were certain that they had followed the procedures correctly. But [their appeals] were invalid and their goods were loaded on EMC trucks. Piles and piles of goods were loaded on without any lists being made. "It was like being robbed." This was one feeling that reflects the estrangement between the army and the people.

Previously, the various acts of violence in carrying on these control activities took place in the outer border areas, or "up country" as the people of Aranyaprathet say. Cases of people disappearing and not returning to the city occurred so frequently that this became a common event. But now, things have reached the district itself. When Chaturat visited Aranyaprathet, the goods that had been seized on 21 December were still stored in the Aranyaprathet District conference hall. The estimated value of the goods is at least 20 million baht. They do not know whether to try to find a way out or to just let things take their own course.

"I don't like to make comparisons but I must. In Aranyaprathet today, the situation is like that when Poi Pet was about to fall during the period of Lon Nol. So many soldiers have entered the city that the villagers have closed up almost everything. Soldiers are avoided if at all possible. Has the time come?" asked one important person from Prachinburi Province to Chaturat, asking that his name be withheld. He repeated that no one wanted a split. But who caused this?

"We will have to wait until the sun stops shining before things get better." This is the real feeling of the villagers who operate shops and markets in this border area. They firmly believe that sometimes the truth is painful.

Samruan Mahitthiburin, an MP From Prachinburi and a Member of the Chart Prachathipatai Party

"Concerning the policy prior to the closing of the markets, I know that it was meant to help the people in the localities have an income so they could make a living by selling goods. At first, things were taken and sold like at an ordinary market. The goods exchanged included gold, antiques and jewelry. As for gold, cartloads were exchanged. As for the various things seized, I don't know where everything disappeared to. But later on the gold was depleted and people turned to exchanging dried and cured fish. But the situation got out of hand. Later on, the army felt that this would cause trouble and it became necessary to control things more strictly in order to put a complete stop to the border trade. The officials here were the military. Some groups looked for profits. The problem was that the Kampuchians wanted consumer goods, but the thing that we were very suspicious about was, if the Kampuchians did not have any more silver and gold, why did they have money, especially Thai money. We wondered where they obtained it.

As for how to solve the problems, first, we must expel the Kampuchians who have come and caused trouble in Thailand and who engage in trading regularly. If we can force them to live outside the country, this will slow down the black market. Second, we should allow confined trading by stipulating definite times and locations. Besides this, by employing such measures we will be able to collect some taxes. Concerning such taxes, millions of baht are slipping away from us.

Closing the markets without looking for some way out such as this will result in the cost of living soaring. Retail stores will have to ask for permission and this will lead to losses.

Soldiers and people have encountered each other face to face. I think that the reaction will gradually get stronger. There is talk about having me go into the jungle or something if such is the case later on. I once talked to the commanding general [of the army area] and he told me that it is necessary that it be a military tactic, which the people cannot be informed about.

At present along the border, military policies regulate everything. The existing conditions do not have definite time stipulations.

(Chaturat talked with MP Samruan at his home in Aranyaprathet after he returned from Prachinburi, where he met with General Athit Kamlangek, the assistant commander in chief of the army and commanding general of the First Army Area, who was inspecting the border there. The main purpose of this trip to the border provinces and Prachinburi Province was to learn about the policies toward the black market problem.

On the Black Market Trail

As we raced against the approaching curfew on the road between Taphraya and Aranyaprathet, darkness fell. We passed the San Chao Pho Son checkpoint, Ban Mai Nangam and then Ban Suk Samran (Nong Waeng). Shortly afterwards, the light from a flashlight being waved up and down caused the driver, who was driving at 120 kilometers per hour, to slow down suddenly. Uncertainty made him slow down only; he did not stop immediately because it is well known that robberies occur frequently on this road. It would not be a mistake to keep on going. While passing them, we saw that of the people who were trying to flag down the car, besides the person holding the flashlight, the other three were all young girls. After they had climbed into the car, they said that they had just returned from selling goods on the black market in the Khok Sung area. But by the time they had sold everything, it was past the time for the last bus to leave, that is, 1800 hours. They had to walk to the main road and flag down a car. When Chaturat asked what they would have done if this car had not stopped, one of the three girls said that they would have had to wait for another car or, if there had not been any more cars, they would have had to sleep at some villager's house. All three were from Aranyaprathet. They all go together everyday to earn money on the black market. They take U.E. cream and powdered detergent. Sometimes they sell all of it and sometimes they don't. For their efforts they make 400 to 500 baht a day.

As for the black market where these girls go, at present there are fewer than 100 merchants there. "Kampuchians come and purchase things at Khok Sung," said the tallest and prettiest of the girls to Chaturat. The things that they sell there are not controlled goods. They just have to pass the checkpoint, but they can take only small quantities.

But there are many others who take both controlled and noncontrolled goods and go through the forests in order to avoid the searches concerning both types of goods and quantities. This group must pay a "checkpoint fee" and 80 percent of these "carriers" are women. "Some of these women were formerly very plain looking but now they are very attractive. When I asked them about this they said that you have to dress attractively like this if you want to do business on the black market." This is a summary by a person who is close to the situation there. But there was no clear answer as to what dressing attractively has to do with the black market except the meaning they attach to it. The item that is the biggest "hit" for the "carriers" is cigarettes. Cigarettes are light and they bring a good price. It has reached the point where there is a shortage of cigarettes on district markets, especially the Samit 14 and Krung Thong 85 brands. For those that

are left, the price has increased. While other brands are selling for 117 baht per carton, Samit 14 cigarettes sell for 120-130 baht per carton.

The three ways of transporting goods to the black market in a situation in which there is strict control are:

First, "carrying" is the main method used by the women's network. Goods are carried both in the front and in the back. They may carry 10 or 20 bolts of cloth or they may take cigarettes, cream, candles, rope or powdered detergent. They walk to the border, usually travelling at night and arriving at the border at daybreak. As for the fee for passing the unofficial checkpoints, which are set up in forest groves, the fees depend on what is agreed on. Sometimes it is money and sometimes it is a "young woman."

Second are vans with film covered [windows]. The merchants, regardless of whether they are rice mill owners or owners of other businesses, all share. "Payments" and agreements are made based on the situation each night during the curfew hours of 1900 to 0600 hours.

Third are large dump trucks. The merchants split the profits 50-50 with the influential people. The merchants are responsible for the expenses. At present, the item transported by dump truck the most is cloth. The value of a truck load of cloth is about 400,000 baht, and an average of 10 truck loads are sent every day. At the same time, the piece-work rate for sewing clothes in the godowns in the district markets is now 1 baht per piece whereas they used to be contracted to work for 50 baht per day. The highest income reaches 500 baht per day. The cloth that is transported includes nylon and tetoron, prints and plain cloth, sarongs, loincloths, shirts and jeans. The 10 truck loads sent each day at present is a reduction as compared with the number of loads sent before. "When will they relax things? Many of my checks have bounced." Chaturat was asked this by the owner of a loincloth factory who frequently sends goods to the Kampuchean border and whose factory has now stopped production. There was certainly no reply since the commanding general of the army area has told the MPs that in such a situation it has not been stipulated when this will end.

Concerning the "secret" routes that are used by the three means of transportation discussed above, the route that has become the most well-known is a new route that branches off from a military trail behind Ban Pa Rai and that cuts across the Suwannason road (the road from Aranyaprathet District to the Poi Pet area). [The path that] this route takes is known only to black market merchants and the most "influential" people in the area.

Sanoh Thienthong, an MP From Prachinburi Province, a Member of Chart Thai Party and Former Secretary to the Minister of Agriculture and Cooperatives

"We should raise the issue of whether we should open a black market or whether this should be stopped and new trade not allowed. If we look at the matter of survival, every country in the world exists by means of its economy and not its guns. This is definitely true. Today's wars are economic wars. Today,

where have armies marched in? Take Japan for example. They have built up economic power.

The promulgation of laws should be done on the basis of the truth. Everything proceeds in stages, but there is a mutual effect. The present situation in Aranyaprathet, Wattana Nakhon and Taphraya resembles a war.

I feel that legal trade should be allowed. The taxes will go to the state regardless of who trades there. If we [try to] create security by destroying the economy, it will be the same as destroying ourselves. Take Asean for example. We closed the markets here but what guarantees do we have that our neighbors will not sell goods to them? Singapore, Hong Kong and Japan will sell to whoever wants to buy. They do this for their people; they all do.

As for us, especially the military, we are concerned with only one problem, that is, security.

The measures in use cover everything. Everyone has troubles. There are 300,000 people in the area who are suffering but only 1 percent of the people in the area actually engage in black market trading. But this 1 percent has made things difficult for the other 99 percent. Most of the people who come to trade from other parts of the country come one after another. The current is strong now; don't take a boat across. They are talking like this now. Some say that the sun is so hot that things are about to burn. Yesterday, I stated in parliament that if the people stop trading entirely, we will know who is still doing it.

The military's use of resolute measures and their searches have not caused a split only between the military and the people. Even the government officials have problems. They are like government officials who cannot get along. Are they all bad? But this is a matter of groups. I have used the word groups and not institutions. But these groups have caused the institutions to deteriorate. If you do a hundred good deeds but do one thing wrong, the hundred good deeds will be for nothing and there will even be demerit. For example, the way the searches are made is not normal. Their image has been ruined. In making searches, the young soldiers point guns like this....

Before Lon Nol fell, the bureaucracy was filled with corruption. Lower ranking soldiers were not paid. There was starvation. Their leaders came to Thailand with their pockets full of dollars. The lower ranking soldiers then oppressed the people. When Pol Pot entered the city these people cheered, even though at that time the forces of Pol Pot were small. But Pol Pot damned himself. In Aranyaprathet at present, when the soldiers come in, the shopkeepers all close the doors and the people all become frightened. At present, it is as if the nation's fence here is about to fall on the owners."

(Chaturat talked with MP Sanoh at his home in Wattana Nakhon District, Prachinburi Province the morning after the eclipse of the moon when both small arms and artillery could be heard all over the city.)

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